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CAUSES AND CURES FOR THE SOCIAL UNREST

An Appeal to the Middle Class

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CAUSES AND CURES FOR THE SOCIAL UNREST

An Appeal to the Middle Class

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UNITED THEOLOGICAL SEMINARY

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CHAPTER I

INTRODUCTION

NOT within the memory of living Americans, nor scarcely within the entire history of the nation, has such a wave of fear swept over the public mind as occurred during the twelve or fifteen months following the Armistice. The phenomenon was no doubt partly psychological, being the natural and inevitable reaction from the inflated idealism of the war and the unwarranted optimism that followed victory. The outstanding fact, however, was the menace of radicalism. That menace was real, not psychological. Russian Bolshevism, to our surprise and dismay, did not collapse, as we had expected it to do. And as a lurid sky reflects the red light of a fire at night to great distances beyond the horizon, so the thick clouds of after-war suffering and despair reflected to the ends of the earth the fearsome glare of the Russian revolution. The Russian situation presented a new front almost every month, always unexpected and surprising, but never any less alarming. There was scarcely a time

when it did not carry the threat of a world-wide upheaval.

Events outside of Russia have furnished no little ground for apprehension. All central Europe has remained in unstable equilibrium ever since the Armistice. Budapest was terrorized; an ugly, sullen temper broods continually over the Ruhr valley: barricades were from time to time thrown up in Berlin, riots raged throughout Italy, and the Balkan states never ceased to boil like a caldron. Even west of the Rhine conditions have been disquieting, almost every west European country having at times shown symptoms of fever. Westminster has had its anxieties, and the French government its fears. Meantime, reports from all over the world—Japan, China, India, Syria, Egypt —have shown the peoples everywhere seething with social unrest.

As for America, the situation here has all along been very far from reassuring. Organized labor, having gained unprecedented recognition during the war, has maintained an unusually aggressive attitude ever since, the excuse being the high cost of living. Samuel Gompers, the conservative leader of the American Federation of Labor, had his conservative leadership seriously disputed by the radical element. The Communist Labor Party split off from the left wing of the Socialist Party; and even the orthodox socialists nominated for President of the United States a man who had been convicted and was in prison during the campaign for violation of the espionage act. The I. W. W.'s, quiescent during the war, crawled out of their holes again. Foreign agitators blew about like dandelion seeds, presumably taking root anywhere and

everywhere. As a result the country was swept with a great alarm, almost hysterical at first. The reaction against "Bolshevism" was vigorous and unequivocal. At length the panic passed; but it left the American public no less determined, and its concern no less deep-seated, if less hysterical. For we came to realize that the polarization of our society was due to influences that could neither be imprisoned nor deported; and that the danger of a violent electrical discharge was therefore all the more imminent.

The aspect of affairs has very greatly changed during the last two years. During the summer of 1920 the entire available supply of labor was absorbed at an unprecedented wage. As a result the attitude of labor became insolent and aggressive. This attitude revealed itself chiefly in its disposition to "soldier on the job." The efficiency of labor became very materially reduced. The consequence of high wages and reduced efficiency was to eliminate profits almost entirely. The reaction of capital was to promote a vigorous movement for the open shop. Then came the business depression which social scientists had long been expecting, whereupon the innings of labor were over. During the winter of 1920-21 they collected their forces and diligently extended their organizations. Since then both sides have been digging in. The situation at present is like that in northern France during the fall of 1914, after the German onslaught to the Marne and their subsequent retreat to the Hindenburg line. The hysterical psychology of the earlier anti-radicalism has blown over; but the alignment is none the less tense and truculent for all that. Never, as now, have capital and labor faced each other with such

obvious determination to fight it out to a finish. Whoever has eyes to see must realize that an irrepressible conflict is on. It would be unsafe to predict just what phase the social unrest will assume next; but it is perfectly certain that there will be new phases, and that they will be surprising and perhaps just as disquieting as the experiences of the last four years.

There is an increasing tendency in the public mind to interpret world events in their relation to this great issue. As time goes by we see with increasing clearness that the World War was something more than a struggle between political autocracy and political democracy. That it was, to be sure; but, over and above that, it was also a great economic struggle. As the months pass we realize more and more clearly that Versailles also was a battle-ground of great economic forces. Gradually our insight is penetrating the atmosphere of our times. The political struggle of the past three centuries has passed its phase. It is an economic struggle that is now on: Capitalism versus Socialism, a battle to the death, and quarter neither offered nor asked.

Unless we of the Middle Class, who belong on the side neither of labor nor capital, can invent a third alternative, a basis of compromise, a middle pathway to justice and peace! Which it is the purpose of this little book to point out.

CHAPTER II

THE PATRIOTISM OF THE MIND

IF any person finds himself hospitable to this idea of a middle path of peace, and wishes to help find it, let him first of all develop an appropriate frame of mind. If there is any basis of compromise, only an unbiased mind can find it. The biased wish always takes sides; only the judicial temper can arbitrate. If public opinion is to arbitrate the issues of our times we must all contribute our bit to a public opinion that is fundamentally and impartially just.

In times of peace about the most important duty that the citizen owes to his country is straight thinking; especially if the times are critical, as our times are. The reason for this is that in a democracy public opinion corresponds to the sovereign in an absolute monarchy; and if public opinion is mistaken the battles of peace go against the republic. We are wont to regard the law making bodies of the government as deciders of our national destiny; but we forget that back of law and courts is public opinion. Sometimes law responds tardily to public opinion, but eventually it does respond. Hence everything depends in the last analysis upon the contents of the public mind. If public opinion is overwhelmingly in favor of schools free from political influence, or of government ownership of railroads, or of the open shop, or of peace with Mexico, those

policies will be carried out. But if public opinion is confused, muddled or uncertain, then selfish interests will pretty surely manage to manipulate the policy of government to suit themselves. The peace, prosperity and success of democracy depend, therefore, upon public opinion being solidly united on policies that are sound and safe.

But public opinion is only the organized consensus of the opinions of each of us. If A, B, C and D all hold divergent opinions, each of them more than half mistaken, then, so far as these four citizens are concerned, they contribute to the confusion of public affairs and the miscarriage of democracy. But if these four citizens all see alike because they all see straight (and there is no other way to see alike!), they each contribute to the general welfare. We hear a great deal about the right of the citizen to express his opinions both in speech and at the ballot box; but do we not hear too little about the citizen's duty to have opinions that are really worth expressing? Aside from his duty to be honest and public spirited the citizen has no more important duty than to be right instead of mistaken in his thinking on public questions. If a citizen is really honest and public spirited he will feel this responsibility keenly, unless he is so lacking in intelligence that he fails to realize its significance.

It has been said that skepticism is the beginning of knowledge, and this is a pretty safe motto for any person to adopt who wishes to think himself out of the social muddle we are now in, and so help think his country out. Too much of what the average citizen knows about social, industrial and political problems "would be so if it were only true." As a result there

is lamentably little clear, sound thinking, and correspondingly little prospect of a consensus of valid opinion, but only a free-for-all clash of selfish and divergent interests. Any patriotic person who really wishes to contribute to the solution of the social problem will do well to begin by questioning the soundness of his own opinions on social and economic questions.

It naturally stands to reason that a good share of the popular beliefs about social and economic questions would be fallacious and mistaken. They are really sociological mythology. Mythology came into existence in this way: Questions about natural phenomena arose in everybody's mind long before science was ready to answer them. But did anybody's mind suspend judgment and wait for the answer of science? Not at all. The mind craves an answer more insistently than the parched tongue craves water. And when no answer is forthcoming it fabricates one out of the imagination. In that way mythologies arise to explain thunder, contagious disease, the rising and setting of the sun, and what not. And presently the mythology acquires the authority of tradition.

We have passed the stage of mythology in the field of natural phenomena, but not entirely as yet in the field of social phenomena. In that field the public mind is still on the semi-mythological level. For most persons, therefore, the beginning of knowledge in the social field is sincere skepticism of what they think they think.

Perhaps the chief reason why so much thinking on social, economic and political matters is wrong, is because it really is not thinking at all, but only wishing. Most of us think chiefly below our diaphragms. Our interests predetermine our thinking, seldom does our

thinking select our interests. Thinking, just like seeing or walking, is a servant in the house of our lives: our needs and wants are master. We have needs before we see; and we use our eyes to help us get the things we want; and to look at, we select so far as possible the things we are interested in. We have needs before we can walk; and we use our feet to get the things we want. We have needs, wants, interests, desires (all these words point to the same center) before we think, and we use our intellects to secure the things we desire. We build up our set of interests first; then we build up around them our set of beliefs to secure and protect our interests. And so the religious interests to which a man has been brought up predetermine his religious creed. Likewise a man's social interests predetermine his social creed. What he thinks he thinks he ofttimes does not think at all; he simply offers it as excuse to justify his wishes, interests and desires.

Let us try to present this important fact to our imaginations a little more concretely.

Imagine a group of highly successful business men, gathered around a banquet table in a great metropolitan hotel. These men are all prominently connected with established and well known concerns. They all own property, and have families, residences, and established social connections. They are all cultured gentlemen, schooled either in the colleges or in the conventionalities of their social circumstances. Most of them have hereditary connections which they hope to pass on to their descendants.

Imagine, on the other hand, a camp of transient harvest hands in a "jungle" on the bank of a small

stream in the wheat belt. These men have drifted in the wake of the harvest; they intend to "bum their way" back to the cities before snow flies. They are homeless, wifeless, jobless. They belong nowhere in particular. They have no legal residence, they own no property whatever, they belong for the most part to the unskilled class, they are barely able to read, some are illiterate quite, they have the wanderlust and no prospects for the future.

Now in one of these two groups you find the theory that the distribution of wealth is due to social causes entirely and the possession of it is a mere accident of circumstance; that our government is a democracy only in name, but in reality is a government of the many, by and for the few; and that revolution is the only hope of changing a bad social system. These theories are held with rancor and bitterness. In the other group one finds the theory held with quiet, confident dignity that the amount of wealth a man possesses is due to his own personal ability, that our laws and constitution are entirely satisfactory instruments of justice, and that self-constituted reformers are to be regarded with apprehension. No reader will have to guess which theory goes with which group: the point is that neither of these theories is the plain unbiased truth, it is only the intellectual color of the social chameleon. Each theory rises only out of the interests of the group that holds it; it really throws little or no light for the group that holds it on economic, social and political causes; it rather serves to shut out the light. The one group could ill afford to admit that personal ability determines wealth, because that would convict them of being worthless incompetents; the other group could

quite as ill afford to admit that social causes figure in making some rich and others poor, because that would impeach their own personal prowess. It is to the interest of one group to foment revolution, because they have everything to gain and nothing to lose; it is to the interest of the other group to oppose all change because they have everything to lose and nothing to gain. Neither of these groups is prepared to contribute anything to the peaceful solution of our difficulties; so far as they are concerned there is no way out except a fight, into which all the rest of us are liable to be drawn, unless we can arbitrate between them disinterestedly.

This sort of mental attitude is acquired early. It is an extremely interesting experience to teach a college class in Labor Problems or Modern Social Reforms. The members of the class are likely to have their prejudices pretty well set already when they begin the course; and they are pretty sure to have the same point of view at the end. One student is the son of the owner of a successful daily paper in a city of thirty thousand; a young Irishman has worked two or three seasons in a railroad construction gang in the far northwest; another young man represents the third generation of wealthy farmers whose land is now worth three hundred dollars per acre; a young Russian Jew is paying expenses by working evenings on a street car; a young woman is keeping herself in school part of each year by holding a job alternately with her sister in an overall factory, and two young ladies drive to class in fine limousines. An aggregation like this is not unusual; such is the democracy of the American university!

The question arises in such a class as to how a

decided increase of wages would affect American industry in competition with the industry of other countries in the markets of the world. Part of the class contends that the result would be to drive American producers out of the world markets, on account of the increased costs of production; but the rest argues otherwise, on the ground that increased wages would increase efficiency and decrease the per unit cost of production. The reader will readily imagine which side each of the seven students mentioned would take. The teacher usually finds that nobody's mind is changed by the discussion. High school teachers of civics have the same experience; even they do not get the students young enough to anticipate the prejudices of their social class and industrial status.

Politics furnishes the plainest illustration of the fact that discussion is not always an attempt to find the truth but quite as often an attempt to defend the side to which one is committed. A Republican is a Republican; and Democrat is a Democrat, and their arguments run round in a circle. "Our old cow, she crossed the road, because she crossed the road, sir; and the reason why she crossed the road, was because she crossed the road, sir." Hurrah for our side! Fortunately, however, there is a constantly increasing number of voters to whom this does not apply. Are not they, rather than partisans, the ones upon whom we must depend for constructive thought in the political field?

The fallacy of the biased wish is all the more subtle and deceptive because of the prevalence of half truths. Half truths are the most deceitful and dangerous lies in the world. They are deceitful because the truth in them makes it so easy to overlook the fallacy in them.

The true half makes the whole plausible. They are dangerous just because they are deceitful; there is less chance of correcting them, and they are therefore the more liable to lead to a fight. And there seems to be no field in which we are so liable to the deceit and danger of half truths as in the field of our social and economic problems. This is because most social situations present a double front, either one of which may easily be mistaken for the only front.

For example, take the old heredity-environment debate: Is one's personality due to heredity or to environment? The truth is that it is due to both. The two influences are mixed together so that they can hardly be distinguished. In some cases the one is the more apparent, and in some cases the other; but both must always be recognized. But how easy it is to ignore one or the other, especially if one has a wish smuggled away and forgotten somewhere in his subconscious mind. Mr. John A. Smith adopts a boy and rears him, but the boy turns out badly. Mr. Smith is naturally quite sure that the boy's heredity is at fault. Undeniably heredity was bad in this boy's case. But the neighbors are aware that Smith's training was unwise. This is a disquieting fact which Mr. Smith is happier to ignore. So he does ignore it, and attributes the boy's failure wholly to heredity. One of Mr. Smith's neighbors, on the other hand, who, by the way, has an old grudge against Smith, insists that the boy's heredity was entirely all right, and that the training was the only thing at fault. Of course the real truth lies between: the heredity was at fault, and that makes plausible Mr. Smith's half truth that it was all at fault; the training was also at fault, and that makes plausible the

half truth of Smith's enemy that it was all at fault. But the whole truth is that both were at fault. Such is the deceit of half truths.

Again: Why is Richard Roe rich and John Doe poor? Is it due to differences in personal competence, or to the pressure of social forces? Richard Roe, you may be sure, is confident that it is due to differences in personal capacity; while John Doe is almost certain to believe that he is the victim, and the other the beneficiary, of mere chance or social handicap. As a matter of fact both causes operate together in all such cases; but each sees only one, while refusing to see the other. The half truth that each sees is undeniable, which makes it all the easier for each to blind himself to the existence of the other half that is not true. And the half to which each pins his faith is the half that flatters his vanity; after which neither is at all hospitable to the balanced whole truth.

This is the situation with regard to almost every social problem that confronts us. One man is a rabid revolutionist. He wants fundamental changes, and wants them immediately; he has a rag of argument for every hole in the boat which he wants us to put to sea in, and he is willing to "blow 'em up" in order to get the changes he wants. Another man is an equally rabid reactionary. He wants nothing changed. He has arguments for keeping everything as it is. He finds economic law inviolable; and he is ready to "shoot 'em down" if necessary in order to preserve the status quo. Obviously each man is a dangerous devotee of a pernicious half truth; and the point for our present purposes is that each has selected the half truth that best suits his own selfish interests. "Don't imagine

you'll find a fish monger declaring his fish are not sweet; might as well think an oyster could crawl up a tree, for that's where you'll make your mistake." Which ought to be enough to create in any really honest minded person a wholesome suspicion of his own economic and social theories. Write down a statement of your business interests and social standing, and any social scientist will turn the paper over and write out your beliefs about the social problem. Or vice versa. The exceptions will be rare indeed. For the most part our social creeds serve only to show which side our bread is buttered on, and to estop constructive thinking on our own parts.

The attitude of the biased wish is, of course, utterly unscientific; for science seeks without prejudice to discover the facts, confident that the facts will make us free. But scientific discovery has always had its opponents who feared their creeds would be undermined. This attitude is unChristian, since the Christian spirit desires above all things else to find the path of brotherly justice. The historic defenders of selfish interests have been enemies of Christianity, no matter what ecclesiastical positions they may have held. The attitude of blind, prejudiced selfishness is unpatriotic; and when it becomes truculent and aggressive it is treasonable. The slave holding aristocracy of the old South dragged this country into the Civil War; and radical labor agitators are threatening to do the same thing to-day. This attitude is dishonorable, because refusal to seek the truth is so near akin to refusal to tell the truth. It is short-sighted madness, because one's descendants are safest in a just world.

Unless, therefore, the reader is prepared to proceed

with a patriotic mind, even if it should mean to discover that his own hands are red with selfish injustice, it is quite useless for him to proceed further with this little book. Too many persons are unwilling.

The clergy of this country have for thirty years now been preaching the application of Christian principles to the industrial situation. And the laity have all heartily acceded that Christianity ought to be applied. That was easy, because each layman, for the reasons just set forth, was never troubled with the least shadow of suspicion that there might possibly be something un-Christian in the rules of his particular game. But now that the test comes down to particular rules of particular games, it looks as if all this preaching of the last thirty years had been a waste of energy. Most professed Christians, just like other people, refuse to let the test be made. It seems to be a psychological impossibility for them to submit their own personal interests to the test of Jesus' teachings.

Consecration is the core of the Christian spirit. A will submissive and obedient to righteousness is the essence of Christian character. So far as the social question is concerned the test of a Christian is the attitude of his mind. Is he willing to learn the truth about social institutions even if it convicts him? Just as it is the test of patriotism, also.

CHAPTER III

INDIVIDUAL RIGHTS AND SOCIAL JUSTICE

BEFORE coming to grips with the specific questions at issue between Socialism and Capitalism it is necessary to establish a base of supplies for our thinking. The reader has observed that travelers abroad bring home whatever evidences they go to find. When they get back they lecture us about what they have learned in Europe: as a matter of fact we usually learn what the prejudices were that they started with. They have culled out whatever proves what they wanted to prove, and they have done this almost unconsciously, failing to notice the residue. So with the social question: it is really the preconceptions stored away in the backs of our heads, so to speak, that predetermine our conclusions. Therefore, before we take up the social question let us set in order some of the ideas which ought to predetermine our opinions.

In the first place, what do we mean by rights?

Rights root down into needs, and needs are the bedrock, so far as living creatures are concerned. State what are the needs of any given creature, and a child can name the creature whose needs you have enumerated. Needs must be met, otherwise death ensues. Needs make no apologies; they simply assert themselves. To say that a creature has a right to live is to admit that he has a right to the things that he needs in order to live. To say that he has certain needs that he

has no right to satisfy is to say that he has a right to a fractional life only. If men have a right to live at all it would seem that they have a "natural right" to whatever they need to live a full, complete, all-round, and satisfying life, at least in so far as the things needed are obtainable. To deny that right will never be convincing to those in need.

The Freudian concepts and terminology would lend themselves very happily to the exposition of this doctrine of natural rights and their relation to needs, as those will discern who are especially interested in the Freudian psychology.

The doctrine of natural rights is at the very basis of democracy. "We hold these truths to be self evident," said our forefathers, "that all men are created free and equal, and are endowed by their Creator with certain unalienable rights, among which are life, liberty and the pursuit of happiness." So said the great statesmen of a hundred years ago. The great philosophers who preached democracy during the same period said the same thing in other words. Rousseau declared that every human being has a right to be happy. Kant asserted that every person has a right to be treated as an end in himself, and not as a mere means. The doctrine of natural rights is at the core of the Christian religion as as well as of democracy. If God created men and gave them needs we cannot doubt that He meant those needs to be satisfied. Jesus taught that all men are sons of God. He said: "Your Heavenly Father knoweth that ye have need of all these things"; and "I am come that ye might have life and have it more abundantly." What can these teachings mean if not that he endorsed the doctrine of natural rights?

What now are the needs of men? Among them certainly are plenty of good wholesome food, clothing and shelter, sanitary and medical protection from disease, work that gratifies the constructive impulse, normal family life, reasonable leisure with opportunity for recreation and contact with nature, moral insurance, freedom of action and adventure, beauty, social relationships, intellectual activity and education in proportion to their individual intelligences. To miss any of these is to miss part of that which is needful to make life really human. They are all natural rights, are they not? Modern psychology teaches that to thwart the elemental needs of human life generates a pent-up energy that will inevitably explode in some direction. Such is the psychological explanation of social unrest. Social unrest is a symptom of thwarted needs, whether in this age or in any other.

But rights and natural rights are two different things. When we talk about rights, and say that a man has a right to this, that or the other, we usually have social rights in mind. We usually mean that society recognizes such and such to be a man's rights, and that society undertakes to guarantee him the enjoyment of them. This idea of social rights is worth considering. A man may have natural rights, but they will do him little or no good unless they are social rights at the same time. For neither child nor adult, slave nor freeman, can protect his own rights. From the time he begins to cry in the cradle till he lies down for his long sleep, he is helpless unless society stands by him. The guaranteeing of rights is a coöperative enterprise.

Now, from this standpoint it is evident that the aim of all social progress and reform is to take up natural

rights, one after another, and make them social rights. Slowly but surely the world grows better. That is apparent from a bird's-eye view of history. It is even more apparent when one gets a bird's-eye view not merely of the six thousand years or so of recorded history but also of the many thousands of years of prehistoric social development of which the historic period is but the last chapter. Indeed, progress has become so rapid that even the unlearned can see it with the naked eye in the short span of a single lifetime. So much so in fact that progress has become a cult with us, a sort of religious faith. Now, translate our faith in social progress into the language of human rights. It means that new social rights are gradually being evolved. The black slave had natural rights, to be sure; but he had no rights that any man was bound to respect; that is, he had no social rights. But the abolition of slavery took up some of his natural rights and made them social rights for him. And the strength of the anti-slavery cause lay precisely in the fact that men everywhere felt intuitively that freedom is a natural right of all men—nobody doubted it but the slave owners. The strength of all reforms is in the instinctive recognition of natural rights. Old needs once thwarted are guaranteed by new social rights. Step by step the rights of man correspond more and more nearly to the needs of man. Thus the world grows better. It is the task of each generation to add its little contribution to the social rights of man, to make its little subtraction from the list of thwarted needs. And somehow we cannot doubt but that a way can and eventually will be found to guarantee an ever larger proportion of humanity's natural rights. The sabbath was made for man,

not man for the sabbath; and so were the school, the state, industry, property, and every other institution under the sun. They must all be made to serve the needs of man—the greatest good of the greatest number.

We are now prepared to see why rights change. It is social rights that change, not natural. Social rights change for two reasons. First, society, as it becomes more enlightened and moral, undertakes to guarantee rights that it never before recognized. The new rights of women are a good illustration.

Second, new social rights are invented that do all that the old ones did, and more too; then the old rights are in the way, and cease to be rights. This can be illustrated by a comparison and by an example. The old self-rake reaper was a very useful implement to our grandfathers. But later the self-binder was invented; it did all that the self-rake reaper had ever done, but it did more; it not only cut the grain, it bound it also. No sooner had the binder come into use than the reaper went into the fence corner. Now imagine some well meaning old granddad, back in the eighteen-eighties, insisting on getting out into the harvest field with his little old reaper to help out with the harvest. The poor old fellow, instead of helping, would actually have been in the way. His son and grandsons would have felt scant patience with him.

But that is exactly what poor old William Hohenzollern did. The divine right of kings was a very useful instrument in its day; it kept monarchy going when there was nothing else to maintain order. Without kings there would then have been chaos. But after democracy had been invented, it did all that monarchy

had ever done, and did it better. It also did more; it looked after the liberties of the masses. As soon as democracy and the rights of the people came into the field, monarchy and the divine right of kings went into the fence corner. But the kings have always been proverbially slow in finding it out.

We are now involved in the process of putting some old, antiquated social rights into the fence corner, and bringing new rights into the field. These will protect all the natural rights that the old social rights protected, and more. That is what the social crisis is—the struggle between rights and larger rights. In such a case the good becomes the enemy of the better. The right of freedom of contract, for example, useful indeed in its day, is now in the way of larger rights. By appealing to this old right reforms have been estopped. Laws prohibiting tenement sweat shops, compelling regular payments, providing extra pay for overtime, and many other good laws, have been scuttled by the courts on the ground that the laws infringed the worker's right to freedom of contract. But such court decisions are now ancient history for the most part. Law and court decisions both recognize now that freedom of contract has its limitations. Legislatures and judges are gradually pushing it into the fence corner and new rights to take its place are being evolved under our very eyes, almost as fast as Burbank could produce a new type of fruit.

The bearing of all this on the social crisis must be obvious. Can any one doubt that there are natural rights of which the common people are still deprived? Is the world yet perfect? We become so accustomed to seeing the masses deprived that we scarcely stop to

think that things might be otherwise. It is almost impossible for us to imagine them different. Indeed, worse than that, we grow so inured to suffering and deprivation that our very eyes are holden, so that we do not see it as suffering and privation. We are accustomed to seeing things social as they are, and, confusing them with things natural, they appear to us like the natural and predestined order of the universe. This is the greatest hindrance to reform!

It is true that when we do stop to think we are puzzled to know how this suffering and deprivation could possibly be done away; though that takes less imagination than to believe that science can discover substitutes for kerosene and coal when they are exhausted. But can we blame the deprived and suffering masses for recollecting that democracy has virtually promised them happiness? Or for trusting that their Heavenly Father knoweth that they have need of all these things? Or have we too little faith to believe that rights are not impossible? Do we not know enough history to understand at last that forward to the next new rights is the only way out for the present social unrest?

So much for the idea of rights. There is another idea which it is equally important to have clearly in mind, and that is the idea of social justice. For unless a student of the social unrest has a very clear and definite idea corresponding to this term his thinking is sure to go astray.

Justice between individuals most people understand; but not social justice. Social justice is the justice of good institutions, as distinguished from the justice of good individuals. The difference between individual justice and social justice is quite like the difference

between hand-made products and machine-made products. Individual justice (or injustice) is made by hand. It is handed, as one may say, from one person to another. But social justice is machine-made; it is ground out by the institutions in the midst of which we live. For there are two sorts of entities, persons and institutions; and institutions, no less than persons, may be either just or unjust.

If John Smith strikes you with a club, or steals your automobile, or alienates the affections of your wife, or swindles you out of a piece of property, that is individual injustice, and you are warranted in holding John Smith personally responsible. But if a financial panic causes your bank to fail, or if a war in Europe robs you of your son, or if a constitutional amendment puts you out of business, or if a rise in the general price level cuts your income in two, or if the system of theology you inherited makes you believe your dead baby has gone to purgatory, that is social injustice. Naturally you want to put your finger on the person who is responsible for your trouble; but you cannot do it, for there is none to hold responsible, but an institution. Just as the turtle snaps the stick that punches him, but cannot see as far as the bad boy at the other end of the stick, so you may put a bomb under somebody that stands out in front, but it is of no use. The miscreant is not a person, but the togetherness of persons. The institution is at fault: you are the victim of a social, not individual, injustice.

The injustice of institutions is easy for us to discern in the case of institutions that are distant from us in time and space. We find no difficulty in seeing that the Chinese women were the victims of the injustice,

not of any person in particular, but of the institution of foot-binding; just as the Hindu women were the victims of the institution of the zenana. The French peasants just prior to the French Revolution were not so much mistreated by the individual noblemen, clergymen and kings as they were by the institution of which all classes were parts. Few of the persons actually involved in the struggles of that period could see that fact clearly then; and so in their anger they lusted to kill kings and nobles for revenge. But as we look back upon it now we realize that it was not persons that deserved to be killed so much as it was institutions that needed to be reformed. The same is true of negro slavery in America. It was not so much at the hands of Mr. Shelby, Mr. St. Clare, and Simon Legree that Uncle Tom suffered, as it was at the hands of the institution. This is the very point Mrs. Stowe's novel was written to make clear. The popular demand for the Kaiser's execution gradually blew over because of the realization, though only half articulate in the public mind even yet, that it was the system, not the man, that caused the holocaust.

It is very easy to enumerate a great many very good illustrations of social injustice, and they would all be very convincing so long as we stayed on the other side of the Atlantic, or back in the eighteenth century. The German people were the victims not so much of an autocratic emperor as of an autocratic empire. Our own Revolutionary War was brought on by a wrong policy on the part of the British Empire, for which no one in particular was to blame. The system of paying the Revolutionary War debts made some rich and others poor. No individuals could have been held

responsible for the Spanish Inquisition. Spanish gold in England in the sixteenth century, together with the system of payment in cash instead of service, set the English peasants free; while in Germany the system of payments in service held the peasants in serfdom. And so on without limit: the fortune or misfortune of men is due quite as much to the justice or injustice of institutions as to the justice or injustice of persons. And yet we think so much with our eyes and ears, and so little with our brains, that most people (until recently) believed that the sun moved through the sky, and (even yet) that bad men are the only agents of contemporary injustice. However it is not the sun that is traveling, but the earth itself that is turning over: it is not always persons that are doing us wrong, but quite as often it is customs, social creeds, and the rules of the industrial game.

No doubt the reader has often watched a group of boys of all sizes playing ball—the old-fashioned, every-fellow-for-himself game of "scrub," in which each boy works up from fielder to batter, and then bats until he is put out. It is great fun, especially when the boys are all about the same size. But when there are a few big boys, they do practically all the batting, and the little fellows do the chasing. That spoils the game for the little fellows. But the big boys are not necessarily mean fellows at all; it is the rules of the game that are mean. What a reformation would be wrought by changing the rules slightly when big and little boys are playing together; so as to set a limit to batting to, say, three runs. And why not—except that it never was so. Of course the big boys would object; but even they would really get just as much fun out of a fair game as

out of imposing on the little fellows; and fun that would be much better for them. For in the long run no game is a good game for anybody unless it is a good game for everybody, because eventually an unfair game is pretty sure to break up in a row.

But it never occurs to the boys to suspect that there is anything wrong with the rules of the game. In fact it is almost impossible to perceive the injustice of institutions in the midst of which we live. One reason for this is mental inertia. We get accustomed to the customary, and take it as a matter of course, along with the weather and the seasons. We thank God superstitiously, and suffer the one as reverently as the other. Persons who take a constructively critical attitude toward customary institutions are relatively few, even in our own day. Blind conformists seem to be the rule, perhaps because scarcely half the people are above the average intelligence.

But especially to their beneficiaries are the injustices of vested wrongs invisible—except as a "miracle of grace." There are none so blind as those that won't see. The big boys are surest that the rules are fair.

Hence it is that unjust institutions always secrete, like a joint, a plausible philosophy to lubricate their own friction. Every social injustice, however glaring, has its beneficiaries. They it is, of course, who control, maintain and perpetuate it. Ideas, theories, philosophies constitute their most impregnable fortifications—the more plausible because well mixed with half truths always. Naturally the beneficiaries of social injustices believe this "dope" with all their hearts; the strange thing is that they succeed in getting so many other people to believe it also. The slave-holding aristocracy

were able to prove quite to their own satisfaction from the scripture that slavery was a divinely ordained institution. Slaves and poor whites believed it too. The doctrine of divine right of kings did service for centuries; the people as well as the kings believing it. Men of the middle class in America worship the god mammon according to an economic creed that is gradually, as will be shown in Chapter VIII, grinding us to powder between the upper and the nether mill-stones of our industrial system; and yet we believe it with all our hearts!

It would take a hardy optimist indeed to assert that we have no social injustices left in our modern world. That is impossible on the face of it; for this is not yet a perfect world. For centuries the world has been growing better, but of course it has not yet reached its goal. There are sickness, industrial accidents, poverty, ignorance, premature death, and interminable drudgery, all of which are preventable at least in part. Life has been deprived of its joy for millions of men and women, youths and children. Any reader, if his eyes be not holden, can look out of the car at almost any time and see faces and forms that betray the tragedies of their existence. And yet few of us suspect that removable social injustices are the cause. We too, like other peoples of other times and places, had been "doped."

If there were no thwarted needs, no social injustices in our social system, there would be no social unrest. But there are: and the cure for the social unrest is to cure the social injustices! There are natural rights that our institutions, as they now stand, fail to guarantee. If we want social peace we must bring new

social rights into the field that are capable of cutting the harvest of modern relations. Which seems perfectly self-evident; nevertheless there are those who see no cure for the social unrest except to suppress the protest. But radicalism, however unwarranted the extreme forms in which it presents itself, is entirely misconceived unless it is recognized as a symptom of social injustices. When a man has a fever it indicates that there is something wrong with his system somewhere; the thing for him to do is to diagnose the cause and remove it; otherwise it may remove him!

CHAPTER IV

THE GENESIS OF THE SOCIAL UNREST

OF course there are various theories current in the public mind to explain the present eruption of social discontent. At first some regarded it as due to after-war reaction, and to the excitement of a political campaign. Two years ago the hope was often expressed that things would quiet down after the election, especially if there should be a good crop in the fall. Others thought it resulted from the influence of European disturbances. They believed that agitators from Russia and other hotbeds of revolutionary propaganda had been coming here in large numbers; and that the thing to do was to get rid of those that were already here, so far as possible, and to close our ports against any more. A New York banker, writing in one of the popular magazines, attributed it to the high prices. Adjustment to the new price levels unavoidably produced a good deal of strain in nearly all families, he pointed out, and the violent protest against existing conditions he regarded as quite natural, however regrettable. He urged the necessity for all our people to be as patient as possible until the storm had blown over. Others, recollecting the fact that labor demonstrations were held in abeyance during the war, and the demands of labor encouraged by certain war time concessions and post-war prices, believe that we are now having the postponed and accumulated disturbances of the last five

or six years. Their remedy, if they are on the capitalistic side of the controversy, is to restore normal business conditions as soon as possible; if they are on the labor side, it is to conserve at all cost the gains that have been made; if they are neutral, it is to assert the rights of the public. All of which, however, merely states the situation, instead of explaining it, as the reader will readily observe. Still others, who are historically minded enough to take a bird's-eye view of the last fifty or sixty years, have observed a steady, cumulative growth during all that time of labor agitation and socialistic philosophy. Such observers will regard the present crisis as the coming-to-grips of an irrepressible conflict between capital and labor, that has been brewing ever since the Civil War.

These popular explanations are enumerated here—even the last—chiefly for the purpose of suggesting that they are all somewhat fractional and superficial. It is altogether possible, and not a little desirable, to look somewhat deeper into the causes of the social unrest. The more profoundly and thoroughly we are able to understand the problem, the more probability there is of our being able to formulate a sound policy on which to unite; and certainly we cannot expect to stay united long except on a policy that is sound.

Mr. Henry Ford is reported to have remarked recently that history is "bunk." Mr. Ford is a well meaning and very useful American, but that remark offended the historians. They believe that history has practical uses, and that the public's ignorance of it is a handicap to the general welfare. And that stands to reason, for history is but the record of social experience; and the more experience a man or a society has

the wiser its judgments are likely to be. You handle a venerable old gentleman quite differently if you think his petulance is due to the fact that he got overheated in the garden yesterday from what you do if you know that he has inherited senile dementia from three or four generations back. Similarly, if we want to know the cure for the social unrest we must know its causes, and these lie back in history. Moreover, history is prophecy. It not only explains things; it often shows what things are coming on and what things are passing away. If we knew history better we should recognize which customs, which social creeds and which rules of the industrial game are getting old and feeble, and are about to pass away; and which, on the other hand, have recently been born, are now in their strapping youth, and are destined presently to become mature and take over the running of this mundane institution.

The psychology of the deep-seated anxiety now current reveals an intuitive awareness that the very foundations of our social system are being called in question. Its hysterical manifestations, however, betray a sad failure to understand the causes of the danger, or what to do about it. It is as if the social unrest had pounced upon us, all of a sudden, as did the European war; when, as a matter of fact, the wind has been full of straws for generations, as we now know it was in the case of the war. There is really no more reason to be surprised by the recent wave of radicalism and unrest than there was to have been surprised by the outbreak of the war in 1914. It was our ignorance of history that blinded us to the imminence of the war; it is our ignorance of history and of social evolution that makes us so blind to the trend of social events.

The present social crisis is no mere local phenomenon, either; it is a great world movement. Nor is it by any means a mere temporary incident; it is part of a vast, epoch-making readjustment. It grows out of the democratic, industrial and scientific revolutions of the past two centuries, with which we are all more or less familiar, and of which we are all so proud. If the medieval world had lasted we might have escaped the modern unrest. But we had the rise of democracy, the discoveries of science, the great new inventions, and the wonderful development of industry; these are the real, even if the remote, causes of the social unrest.

Said the *Minneapolis Journal* editorially under date of March 6, 1921:

"What is known as class struggle to-day was not created to any great degree either by 'labor agitators' or by 'capitalistic greed.' It is an inevitable by-product of machine industry. When production was transferred from the home to the factory, it meant of necessity the aggregation of numerous workers and the accumulation of a large capital in equipment. A reasonable amount of class struggle is as wholesome as a fair amount of competition, but it tends to reach the point of diminishing returns where it proves to be wasteful and disastrous."

This is the way Professor Ross, one of our leading sociologists, had put it:

"The modern 'social' question has been created neither by labor agitators nor by capitalist greed. It arose inevitably out of the development of machine industry. About the middle of the eighteenth century began a series of inventions which caused the textile industry to be translated from the worker's home or shop to the

factory. Instead of owning his tools he worked the machinery owned by others and became a wage-earner. Since then the factory system has extended to branch after branch of manufacturing, until the handicraft system is dead and we are committed without reserve to industrialism.

"Industrialism, child of the power-driven machine, molds society with appalling power and causes its members more and more to cluster at opposite poles of the social spindle. The situation is grave, and no one can tell how much graver it will become before an adjustment will be found which will pull this thorn from humanity's flesh."

This change from hand tools to power machines, which began in the English textile industry about a century and a half ago, and has since spread to all the great industries in all parts of the civilized world, is probably the most momentous change in human affairs that has occurred since history began. We are too close to it as yet to see its proportions in proper perspective. Uneducated persons, and especially those who have neglected the study of history, are least aware of the significance of The Industrial Revolution, as it is called. Nevertheless, the present social unrest can be understood only by understanding the far reaching effects of this change from hand tools to power machines.

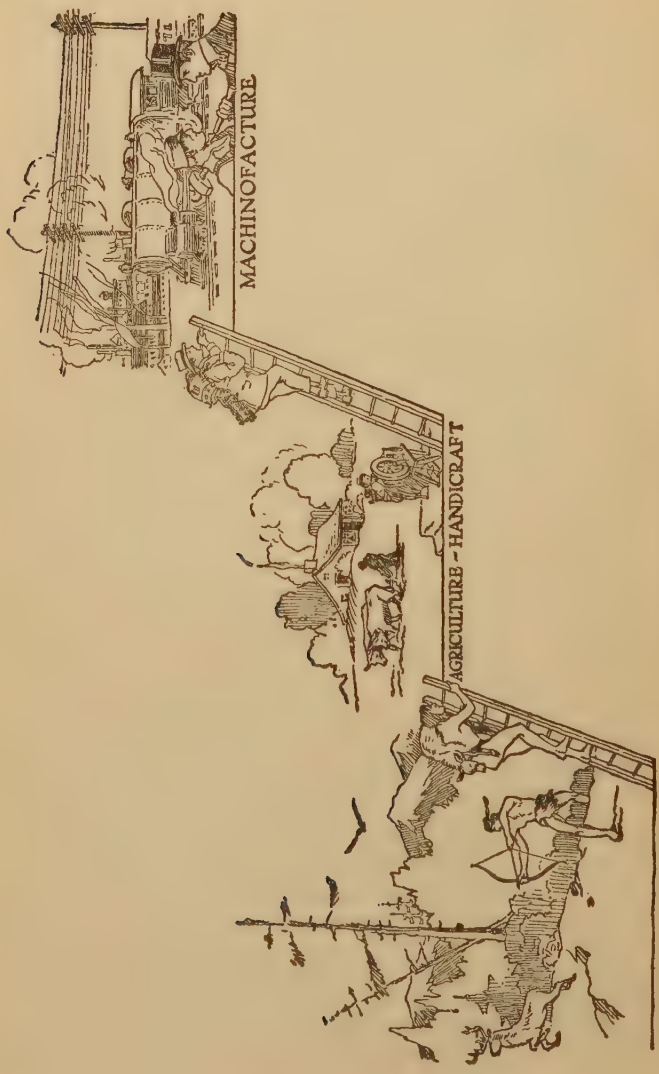
The significance of The Industrial Revolution is best understood by comparing it with an analogous change that antedates the dawn of history. To this other change, so long ago, the reader's attention is accordingly invited, and it will bear somewhat extended study.

If the reader will give play to his imagination at this point he will see an old fact in a new light, and that

new light will illuminate the present problem. The old fact is the very simple one that civilized life is different from savagery. But why is it different? Simply because life must of necessity be different to farm than to hunt. The domestication of plants and animals is the pivot upon which the change hinged. That was what changed men from hunters to farmers, lifted them from savagery to civilization, and caused the dawn of history. The domestication of plants and animals! For one change led always to another. Domesticated plants and animals necessitated a settled life, so as to cultivate the same fields year after year. Property rights in a field a family had cleared came to be sanctioned by society—they had to be; hence arose the institution of private property in land. Fixed abodes favored the building of substantial houses, instead of tents, lodges and wigwams. Naturally, substantial houses were erected for the gods also; and this in turn changed the very gods that inhabited them. Moral codes also were modified to meet new conditions. They had to be. The same rules that governed hunting would not apply to farming. The right to hunt anywhere had to give way to a man's rights in his fields. The morality of killing any pig that a man might find changed with the taming of the pigs. And while all this happened so long ago that it sounds more romantic than real, at the time it occasioned many a bitter fight, and no little "social unrest." But the changes went right on. Handicrafts and commerce thrived. Villages grew to cities, cities to states, and states to empires. The forms of government and the methods of war were adjusted to the new conditions. Settled life favored the accumulation of written records by which past

events could be remembered. It favored the keeping of other treasures also, and so made possible the accumulation of wealth. Literature and the arts resulted. They in turn stimulated the intellectual life to ever new achievements. In short, the domestication of plants and animals resulted in lifting man out of naked savagery, and placing him on a social terrace where written records could be left behind; in other words, it caused the dawn of history, by inaugurating the historic type of civilization.

We western peoples, the most advanced in the world, are now engaged in the act of climbing up another terrace. An equally revolutionary change has recently occurred: the domestication, so to speak, of steam, electricity, bacteria, and the chemical affinities. Just as the earlier domestication lifted man from the terrace of savagery to the terrace of civilization, so this recent new domestication is lifting him from the terrace of civilization to the terrace of a new, supercivilization. It has already resulted in changes in our adaptation to nature by all odds more far-reaching than anything else that has ever occurred since the domestication of plants and animals. As a result the institutions of the agriculture-handicraft stage of industrial society are becoming as unsuited to the machinofacture régime as were the institutions of the hunting-fishing stage to the agriculture-handicraft régime when it appeared. Inevitably there must eventually follow extensive social readjustments. Eventually every ideal and institution of civilization will be modified: property, the family, the moral code, government and religion. There must be as much modification of laws as there has been of vehicles; we can no more carry the new



THREE TERRACES OF SOCIAL EVOLUTION

machinofacture conditions on the old handicraft laws than we could haul modern traffic on ox carts. There must be as much change in the rules as in the tools of the industrial game. Old customs, creeds and rights will be altered; they will have to be! The new tools have created new human relations, and the new relations will require new rules. Indeed these modifications are going on slowly under our very eyes. Let us hope that they will continue to be slow, so as to give us time to adjust ourselves; but in the long run their aggregate accumulation will be immense and inevitable. We are in the process of producing a new social arrangement as different from historic civilization as the social arrangement of historic civilization is different from that of naked savagery. This is the meaning of the present social crisis.

The chief difference between these two great changes is the speed of their occurrence. The first came very slowly. It was spread out over hundreds, indeed thousands, of prehistoric years. The last is being crowded into a swift century or two. And a few gifted seers have foreseen for a century that the future, because of this great industrial change, is pregnant with a new and higher civilization. The change they foresaw is now upon us. From the standpoint of social evolution it is evident to those who have eyes to see that the great war was the birth pangs of a new social régime. In its more fundamental aspects the war was the last great stand of the old handicraft order of things. Social changes threaten to follow upon it with a sweep and a rush that are appalling! They are destined in the end to assume proportions almost apocalyptic. We are in great danger of losing control of them. It will be

safest to recognize that fact; for there is nothing to be gained in time of danger by hiding our heads in the sand like ostriches. The fact is, that the curtain is rising on a new stage setting. To the student of the age-long history of the race it is evident that we are at the threshold of a new world as different from that of Lincoln and Washington as theirs was different from that of the Ojibways, the Hottentots and the Cro-Magnons. That is the goal of the present social movement. It is time for intelligent people frankly to abandon the blind and phlegmatic superstition that things can be kept as they are. We shall achieve normalcy not by returning but by proceeding. There will be stability again in the modern world only as we can keep the change moving in orderly fashion, and under intelligent control, toward the predestined goal. Otherwise the dam will break; and the torrent, out of all control, will sweep on destructively, just as it has so often done in even lesser crises in other times and at other places.

In other words, can we not succeed in settling the irrepressible issues of our times with brains instead of with blood? It is a question of finding out what readjustments are predestined, so to speak, and making them as quietly and peaceably as possible. Can we by reason and justice negotiate our social problems as problems, before they degenerate into a violent clash of interests? This is the dilemma now confronting the American people; and there is nothing to be gained by evading it. Extensive social changes are predestined by the new conditions we have already created; but it is by no means predestined that the new régime shall come in without violence. It is of the most momentous consequence whether it come as a gradual peaceful evo-

lution, or as a violent, destructive revolution. It is not a question of preventing change, but a question of orderly and directed, instead of violent, abortive change. Which it will be depends wholly upon us; and that is why it is so necessary for us to understand the situation, conform to the inevitable, and direct the details accordingly. The great hope is that in mutual reason and good will, we can keep things moving steadily along toward the inevitable goal. If we can succeed in doing that, the present crisis will pass into history as one of the most fruitful, beneficent, and withal, wonderful periods in the experience of the race. But if we cannot succeed in doing that, the most tragic, bitter and even violent clash of interests will be the sad alternative. As the public so intuitively fears, confusion and even anarchy are by no means impossible. Which sounds rhetorical enough, to be sure; but which would cost our children and grandchildren their lives. And after that there might ensue dark ages again perhaps for a thousand years, during which time unimaginable millions of human beings would cross the stage of life under the shadows of ignorance, misery and despair. The danger is that we may let it come to that.

CHAPTER V

THE MODERN COLOSSUS

IT is of course impossible for anybody to be blind to the fact that great power machines have superseded hand tools in the great basic industries of modern civilization. That machines have very greatly increased the productivity of industry, everybody realizes, too. But surprisingly few middle class Americans look much deeper than that into the revolutionary social changes that have followed as a direct consequence. Few persons realize what the new machines have done to labor. Few middle class Americans realize that the status of labor has been changed by the advent of machines quite as fundamentally as has his work.

It is important to get at the crux of the matter. Not minor and irrelevant details, but the central issue, is what we need to understand. What is it? The distinguishing difference between the new machinofacture régime and the old handicraft régime is the very much more extensive use of what the economist calls capital goods.

In the handicraft age the tools of industry were simple and inexpensive, the shop itself was small, involving but little outlay, and the raw material was needed in relatively small quantities. But in modern machinofacture industry all that is changed. Instead

of hand tools there are enormous power-driven machines, housed in enormous plants, requiring enormous quantities of raw material. All of which represents an enormous investment in capital goods. And not only have the small shops grown to large plants, but the large plants themselves have been assembled and consolidated. The small unit is a vanishing institution in most of the great basic industries except agriculture. In most fields modern industry is large scale industry, involving the use of vast aggregations of capital.

There is a very clear and definite reason why this is so, namely the economies of combination. To the barber's trade this principle does not apply. Barber shops are still small shops. The nature of the barber business is such that a shave or a hair cut cannot be produced and delivered any cheaper in a shop of a thousand chairs than in a shop of five chairs. But then there has not been much change in the tools of the barber's trade! But to transportation the principle does apply. There was a time when in journeying from Albany to Buffalo a man traveled over eleven separate and distinct systems of railroad. But that soon passed away. The advantages and economies of consolidating small units into large systems soon became apparent. To-day great railroad systems are the rule. The same principle seems to apply in many other lines of modern industry: mining, steel manufacturing, meat packing, telegraphing, lumbering, flour milling, etc., etc., etc. In each of these lines of work the simple tools and small shops of an earlier period have given place to ponderous machinery housed in colossal plants and involving fabulous investments.

It is interesting to collect a list of names that repre-

sent medieval trades: Baker, Bailey, Barber, Brewer, Butcher, Butler, Carpenter, Carter, Chandler, Collier, Cook, Cooper, Cutler, Diver, Draper, Dyer, Farmer, Fisher, Fowler, Gardner, Glazier, Hooper, Hunter, Mason, Miller, Painter, Piper, Plummer, Potter, Porter, Sailor, Scriver, Shephard, Shoemaker, Skinner, Slater, Smith, Tanner, Taylor, Thatcher, Weaver, Wheeler. A few of these trades remain as of old, unmodified by the industrial revolution; some have been broken up into unskilled piece work in the modern division of labor, and others have been absorbed in the great industries. The descendants of Mr. Carter have become the truck drivers and the railroad employees, almost the whole Smith family now work for the great steel corporations, the Chandlers are lighting us with gas and electricity, the Carpenters, and Masons, the Slaters and the Thatchers all together could hardly put up a steel skyscraper; lumbering, telegraphy, the making of steel machinery, and the oil business are not provided for at all in the list, while Mr. Scriver and all his offspring would have their hands more than full with the accounting and correspondence of our modern corporations.

And now we come to the point: this change from small hand tools in small shops to vast complicated machinery in vast expensive factories, has rendered impracticable the ownership of tools and shops by the workers. The shop is too big to stand in the worker's back yard; the tools too heavy to be carried home in his kit. The plant and the equipment are too expensive to be within the reach of the workers' savings. Fancy the miners owning the mine in which they dig, the trainmen owning the rolling stock on which they work, or

the steel workers owning the plant in which they are employed. In the olden days almost any apprentice might hope, by industry and thrift, to get together the tools, materials and shop to set up on his own account. Under those circumstances owner and worker were the same; capital and labor were united in one person. But under modern machinofacture conditions that is out of the question. Ownership and labor are quite naturally and inevitably separated. And that, reader, is the crux of the whole modern situation; that is the fundamental cause of the modern social unrest.

The writer ran across two paragraphs recently that express this principle tersely, clearly and authoritatively. They are from a new history of modern Europe by Professor E. R. Turner, of the University of Michigan. Speaking of the Industrial Revolution, in England, toward the close of the eighteenth century, he says:

"At first the new inventions made no great change. Not every successful workman could afford to buy Hargreaves's spinning-jenny, yet this machine was not very cumbersome or costly. But the heavy power spinning machines of Arkwright could be got only by the few who had considerable capital to buy them and put up buildings in which to install them. And when presently power looms and spinning appliances were run by steam engines, then only capitalists could buy them."

On a later page he adds:

"Formerly, life had been hard enough, and living very meager, but many of the workers had been their own masters. Now they worked very largely at the mercy of employers who owned the indispensable machines, and

whose principal consideration was usually the getting of wealth, not the employees' welfare. Generally there were more laborers seeking work than were needed, so that the employer had great, even cruel advantage."

And although the Industrial Revolution, during the century and a third that has since elapsed, has spread all over western Europe and the United States, has begun in Russia, has become thoroughly established in Japan, and is about to invade China and India, this "great and even cruel advantage" has not been corrected yet. Indeed, except in a few highly organized trades, scarcely a beginning has yet been made toward its correction. And fundamental as this new situation is, and simple to understand, there is probably not one middle class citizen in fifty that does understand it, or is even aware that it exists at all. And yet it is the very crux and core of the social unrest the world over.

Unless the reader sees this point and discerns its revolutionary significance, it is useless for him to follow the argument further. And for the typical middle class reader this point—that in modern large scale industry worker and ownership are inevitably divorced —will be peculiarly difficult to perceive; for the simple reason that the typical middle class citizen has little immediate experience with typical large scale modern industry. As likely as not he is a farmer. But agriculture, for reasons peculiar to itself, is still on the small unit basis, and pretty certain to continue so. Some farmers, it appears, are aware that there is such a thing as "big business," but it is quite as apparent that they do not understand it. Or, perhaps, the typical middle class reader is a retail merchant, another business still mostly on the small scale basis. Or he is a

contractor, or a garage owner, or a village blacksmith, or some one else who does not realize that his business is only on the fringe of typical large scale modern industry, and that if all industries were small shop industries like his own there would be no modern social problem at all. Or, as likely as not, the reader is a clergyman, a doctor, a lawyer, or a teacher, the son of some farmer, or merchant, or a blacksmith. Neither these men—nor their wives—have much immediate contact with large scale modern industry, and while, as professional men, they are of course well posted on the documentary hypothesis of the Pentateuch, or the technique of thyroidectomy, or the precedents involved in the foreclosure of a mechanic's lien, or the method of compiling an age-grade distribution table, not one in a hundred of them knows the law of monopoly price nor Ricardo's iron law of wages nor the industrial history of the United States since the Civil War. Hence they quite naturally interpret modern problems in terms of the small scale industries with which they are familiar, not realizing that these industries are a declining minority, and that the modern stage is really set by large scale industries. They must learn that unless modern problems are thought in terms of modern conditions they are not thought at all.

With this caution we may proceed. "Quite naturally and inevitably" ownership and labor are separated. That needs explaining further.

But first let us illustrate. For which purpose we may revert to that good, old-fashioned, every-fellow-for-himself game of ball called scrub. Now suppose that every time a player made a fair hit and a safe run it automatically added ten per cent to his stature. A

few safe runs and the status of the players would be fixed. The overgrown batters would be in batting for keeps, the middle class would be on the bases for good and all, and the small fry would chase flies in the field till the crack of doom.

In modern large scale industry every safe run actually does add to the stature of the owner, because as owner he has absolute control of the profits. Back into the business these profits go—in large part at least—increasing the size of the investor's investment. Hence decade after decade property piles up in the hands of the propertied class, while the propertyless remain as a rule as propertyless as before.

Some statistics will illustrate: Professor Friday [1] found, by a study of 251 corporations for a ten-year period, 1910-1919, that their total reinvested income (wages and interest on investment having already been taken out), amounted to $4,500,000,000, or 75 per cent of their capital in 1919. All corporations in the United States reporting had a total net income of $6,700,000,000 in 1919, of which $2,800,000,000 was promptly reinvested. After the investor had had the current rate of interest on his investment, and labor the current wage for his work, $2,800,000,000, or 42 per cent of the total product, was left over. This the investor added to his investment without consulting his partner, the worker. "In a very large part of American industry, the capital investment of the decade preceding the outbreak of the European war was equal to that which had been made in all previous years. Since . . . 1896 we have invested as much capital in manufacturing, railroads, public utilities and mines as we had invested

[1] "Profits, Wages and Prices," pp. 62, 64, 78.

in those industries in all our previous history." This is the stake of the modern game. And it has gone for the most part to the batters, increasing their size and tightening their grip on the bat.

But capital is increased not only by the addition of reinvested profits but also by the mere increment in valuation. Sometimes a property increases in value because property has been added to it; but at other times property increases in value merely because *value* has been added to it.

The market value of a piece of property bears no necessary relation to its original cost; its earning power is what counts. It is worth whatever amount it will pay dividends on. If a piece of property can be depended upon, one year with another, to yield the owner a net income of $1,000 annually, the property is worth approximately $17,000 (assuming that the current interest rate is 6 per cent), because it pays interest on that amount. But if the same property for any reason develops the ability to yield a regular annual income of $1,500 it becomes worth $25,000 on the market. Of course the application of this rule is modified in practice by modifying conditions, but the general principle is practically universal. This increment in the value of property accrues of course to the owners of property. If the earnings of a man's work increase by say six hundred dollars a year, his resources are increased by six hundred dollars a year. There the matter ends. But if the earnings of a man's investment increase by six hundred dollars a year, there the matter does not end. The market value of the investment itself is thereby automatically increased by approximately ten thousand dollars. The six hundred dollars additional

income pays the current rate of interest on ten thousand dollars additional investment; so the same property becomes worth $10,000 more on the market than it was worth before.

An incidental result, therefore, of the enormous prosperity of modern industry has been to increase the *valuation* of property. It must inevitably have increased. Take a bird's-eye view in imagination of the lands and the forests and the mines and the water-power and the mills and the railroads of this country. The growth of population, by increasing the demand for the products of these resources, would of itself increase their earnings. But the growth of wants is almost as important a factor as the growth of population. But further, the improvement of the technique and arts of industry is also a factor in prosperity. If population were declining and industrial arts decaying, the earnings of investment would be irresistibly on the down grade; but with population growing, wants multiplying, and the arts improving, the earnings of investments are inevitably increasing, and the valuation of property is thereby increased accordingly. Much of the increased wealth of the country is therefore nothing but the increased valuation of property. Obviously whoever owns the property gets the increment. The fortunes that are acquired in this way make the lifetime savings of a laboring man look pitifully insignificant. The irony is complete when the small saver invests his savings in securities that have been created by increasing valuation. And the more property a man owns the more increment he gets the benefit of, and the easier it is for him to acquire more property. While in all this the propertyless worker shares not at all.

To summarize: undivided profits accrue to the owner and not to the worker. Increased valuation accrues to the owner and not to the worker. The worker shares neither in reinvested profits nor in the increment, because he is not owner. Under modern large scale industry he *cannot* be owner, for reasons set forth in part already, and to be explained more fully in the next chapter. Hence the enormous increase of property has accrued for the most part to the propertied class, the propertyless classes remaining propertyless as before. And as the decades pass the chasm widens and the concentration accumulates. To him that hath shall be given, and from him that hath not shall be taken away even that which he hath. This is the fundamental cause of the modern social unrest.

An interesting and suggestive story appeared in one of the magazines some years ago. A certain village doctor, being an amateur scientist interested in certain queer experiments, succeeded in concocting a secret potion, which, when administered to the young of any species, would cause them to grow rapidly to monstrous proportions. He stealthily fed a little of this mysterious mixture to a brood of his neighbor's chicks. In a few weeks they were stepping over the tops of the fences, scratching the outbuildings out of their places, and subsisting on a diet of calves and pigs swallowed whole. A female rat got some of it and carried it home to her family of young. Soon the region was infested with rodents more terrible than tigers. The magazine showed a picture of the doctor himself in his top buggy being chased by one of them on a dark night. The cockroaches carried off one of the doctor's twins. Through childish curiosity and the maid's carelessness

the other twin got a dose. He grew too big to get through the doors. He ate more than the doctor's income could supply. The doctor went insane; he had made a remarkable scientific discovery, it is true, but it had generated serious social unrest.

Likewise in our modern industrial game the batters have taken something mysterious, and behold, they do bestride our narrow world like a Colossus. What they have taken is not so very mysterious after all, it is a dose of science applied to the invention of power machinery on a large scale. But the game will never be the same kind of a game again. Nor will it ever be a happy game again for the fielders until the old rules are modified to meet the new conditions.

The name of the giant is Capitalism. The grievances of the masses are real, not imaginary. To escape them they are increasingly eager to plunge us all headlong into the red experiment of socialism. If they do the experiment will of course fail, and the bloody pendulum will swing back and forth for generations, perhaps for centuries, but eventually it will settle down to some sound, just compromise between the two. All of which may be prevented if we of the middle class can muster the intelligence to invent and install that compromise now, in time to forestall the experiment.

CHAPTER VI

RICARDO'S IRON LAW OF WAGES

THE separation of ownership and labor was not sufficiently accounted for in the last chapter. It is obvious that labor does not own to any appreciable degree in modern large scale industry. But why does he not? Why is it practically impossible for the laboring class to so much as get a start? That is to be further explained.

First consider the conditions under which the worker has to sell his labor. He has to sell it under conditions of keen competition with other laborers. If A does not take the job at the wage offered, B, C, or D will. So if A wants the job he must be the first to answer the want "ad." Many establishments carry long waiting lists, and it is no uncommon thing for job hunters to have to stand in line.

The reader must beware of drawing general conclusions from the conditions of the last few years. For perfectly obvious reasons there was an unusually strong demand for labor from 1914 to 1920. But the fact is, such conditions are unusual. The normal condition that has prevailed usually, and that will continue to prevail, except in abnormal times, is a scarcity of work, not a scarcity of workers.

The recognition by scientific economists that the supply of labor is normally in excess of the demand

has a long and interesting history. It goes back at least to Malthus, a famous economist of a century and a quarter ago. Malthus set forth the principle that population tends to increase by geometric ratio (i. e., $3 \times 3 \times 3 \times 3 \times 3$, etc.), whereas food supply tends to increase only by arithmetic ratio (i. e., $3 + 3 + 3 + 3 + 3$, etc.). Hence the population normally tends to overtake the food supply. The cause for this is the force of the reproductive impulse. This is really a universal law of nature: all species tend to multiply faster than their food supply will warrant. Hence the struggle for existence. Man is no exception.

According to Malthus the "positive checks" upon the growth of population are war, famine and disease. In his earlier writings he implied that there is no escape from these. Population growth is one of the reasons why nations struggle for "a place in the sun"; and as for famine, China is the perennial example.

Americans have been disposed to make light of the "Malthusian bugbear," on the supposition that science can speed up production to almost any limit. The real reason for our blind optimism was the abundance of our new land. While the new land lasted we were too shortsighted to foresee that it would eventually be occupied by the rapidly growing population. We now realize that the slack is practically all taken up, and that we are beginning to face the problems of a dense population, just as Europe has faced them for a century. We now realize that permanent escape from the "Malthusian bugbears" can never be achieved by speeding up production alone, but only by also bringing the birthrate under the control of foresight and prudence, just as Malthus said. The men who have led the eco-

nomic thinking in this country since 1880 have egregiously underestimated the Malthusian theories. Apparently they have been incapable of looking a century or two into the future. But as Professor Ross remarks, Malthus is at par again.

In his later writings Malthus recognized "the preventive checks." As the standard of living rises the birth rate declines. It is a matter of common comment that Americans of the middle and upper classes have smaller families than formerly. The same is true of the west European peoples. But among the lower classes the preventive checks do not operate to so great a degree. Until they do the lower classes will suffer the consequences of their excessive birth rate.

Ricardo, a later contemporary of Malthus, carried the theory one step further. He formulated what has since been known as Ricardo's iron law of wages. This law states that wages normally tend to gravitate to the subsistence level. What ever the standard of living upon which the laboring class is accustomed to subsist, down to that the wage scale is beaten. The reason for this, Ricardo pointed out, is the oversupply of the labor market, the fundamental cause of which Malthus had made so clear. Wages cannot rise to a higher level because some hungry out-of-work is always at hand to underbid; and the lowest bidder naturally sets the price for all.

Nor does the oversupply of labor state the case completely. Labor is not only in excess of the demand for it, but it is also pushed on the market at forced sale as a perishable product. If to-day's labor is not sold it cannot be saved up like wheat and sold to-morrow, or next spring. It is like over-ripe fruit on Saturday night,

which, if not sold, will be rotten by Monday. Anything the fruiterer can get is better for him than not to sell at all. But the laborer's case is even worse than the fruiterer's, because if the laborer does not sell he and his family will go hungry to bed.

Ricardo's iron law of wages is the reason why laboring man and poor man have always been synonymous terms. In ancient times laboring men were exploited as slaves, because there were so many of them. The pyramids of Egypt are monuments to Ricardo's iron law of wages. In medieval times laboring men were exploited as serfs, because there were so many of them. In Europe farmers to this day are semi-medieval peasants; only on the abundant acres of America, where labor has been relatively scarce, have farmers arisen to the level of free men. And in modern industry laboring men are wont to regard their poverty as "wage slavery," because there are so many of them. The validity and importance of this Ricardian theory of wages has been quite as much underestimated as the Malthusian theory of which it is a corollary, and for the same reasons. But it is central to any intelligent comprehension of industrial relations to-day. Ricardo as well as Malthus is coming back.

History occasionally throws up exceptional situations in which labor really becomes scarce for a time, whereupon Ricardo's iron law of wages is negatively illustrated. During the fourteenth century the Black Death swept over England, carrying off, it is estimated, approximately half the population. The laborers immediately took advantage of the scarcity to demand higher wages. Cheney [1] quotes a contemporary

[1] "Industrial and Social History of England," pp. 99-111.

chronicler as saying that "laborers were so elated and contentious that they did not pay any attention to the command of the king, and if anybody wanted to hire them he was bound to pay them what they asked, and so he had his choice either to lose his harvest and crops or give in to the proud and covetous desires of the workmen." Laws were enacted punishing laborers by imprisonment, branding, and confinement in the stocks for refusing to work at the old wages. The fact that Parliament represented only the employers served the more to embitter the laboring class at these laws; and though they were reënacted thirteen times wages did not return to the old level. On the other hand the influence of the Black Death upon the wage rate constituted an important step in the evolution of English civil liberty. But however effective the death of half their number proved on that occasion as a means of raising their wages above the Ricardian level, it has nevertheless failed since of general acceptance by the laboring class as a means to that end. They prefer to put a limit to competition among themselves by artificial devices.

We have just passed through a somewhat similar experience, though for wholly different causes. Professor Friday [1] has shown that commodities during the war period, far from being scarce, were produced in normal quantities. Business as usual was the slogan. Production of ordinary commodities did not slow down. We took on the manufacture of munitions for Europe before 1917, and all the work involved in our own entrance into the war, as an extra effort. We speeded up, we increased our efficiency, we worked overtime,

1 "Wages, Profits and Prices," pp. 1, 235.

we drafted women and boys. In other words the war increased the demand for labor out of all proportions to the normal demand. There was the extra demand for labor to build cantonments, ships, and equipment. Four million men were drafted out of productive labor into the army. But all this demand, Friday shows, was extra demand. The usual peace time demand for labor for the usual industries continued as usual. The slack was taken up. Nearly everybody that wanted a job had one. There were no tramps. Vagrancy was reduced almost to zero. Gradually wages responded to the demand. Up to 1919 the high prices we of the middle class paid were due to profits, it is true; but as the demand for labor increased, profits were gradually transferred to wages. During 1919 and 1920 the high prices we paid were going mostly to the "proud and covetous workmen." Not only were wages increased, but labor became so independent and "contentious" that its efficiency was very considerably reduced. This continued till the fall of 1920, by which time profits were all being absorbed in wages, whereupon the managers of industry began to curtail production. We are now (1922) returning to normal, that is, to a condition in which the supply of labor exceeds the demand, and unemployment is sufficient to maintain the "morale" of labor.

The point is that an oversupply of labor is the usual condition. It is generally understood that about 2,000,000 is the usual number of unemployed in normal times. Evidences of this condition have frequently been demonstrated statistically. Streightoff[1] refers to an exhaustive statistical investigation made by the Bureau of

[1] "The Standard of Living."

Labor in New York state covering a period of eight years, from 1902 to 1909 inclusive. The percentage of unemployment among organized wage earners for every month during that entire period was ascertained. The table is inserted herewith. The average for the period was between sixteen and seventeen per cent. In other words, among organized wage earners the usual and regular thing was for one out of every six to be out of a job. It is safe to assume that unemployment was even greater among unorganized, unskilled workers. The daily hunt of these jobless for a job is what enforces Ricardo's iron law of wages. And these were normal years, during which capital was accumulating out of undivided profits at the rate described on page 46.

NUMBER AND PROPORTION OF UNEMPLOYED WAGE-EARNERS[1]

Month	1909			Per cent idle							
	No. unions reporting	Membership	Members idle	1909	1908	1907	1906	1905	1904	1903	1902
January	192	88,604	25,964	29.3	36.9	21.5	15.0	22.5	25.8	20.5	20.9
February	192	89,396	23,727	26.5	37.5	20.1	15.3	19.4	21.6	17.8	18.7
March	192	90,619	20,836	23.0	37.5	18.3	11.6	19.2	27.1	17.6	17.3
April	192	89,039	18,042	20.3	33.9	10.1	7.3	11.8	17.0	17.3	15.3
May	192	89,241	15,228	17.1	32.2	10.5	7.0	8.3	15.9	20.2	14.0
June	192	89,227	15,503	17.4	30.2	8.1	6.3	9.1	13.7	23.1	14.5
July	190	89.551	12,459	13.9	26.8	8.5	7.6	8.0	14.8	17.8	15.6
August	190	90,429	10.799	11.9	24.6	12.1	5.8	7.2	13.7	15.4	7.1
September	190	90,783	13,171	14.5	24.6	12.3	6.3	5.9	12.0	9.4	6.3
October	190	91,247	12,468	13.7	23.1	18.5	6.9	5.6	10.8	11.7	11.2
November	190	91,977	12,206	13.3	21.5	22.0	7.6	6.1	11.1	16.4	14.3
December	190	91,162	18,791	20.6	28.0	32.7	15.4	11.1	19.6	23.1	22.2
Mean for year				18.5	29.7	16.2	9.3	11.2	16.9	17.5	14.8

[1] Annual Reports, Bureau of Labor Statistics, New York, and Department of Labor Bulletins.

The oversupply of labor is not a modern nor a new condition. It is age-old and perennial. But it is a condition that modern machinofacture has by no means

abolished. Ricardo's iron law of wages remains in force as long as there are more workers than jobs. The new feature is the vastness of the capital from sharing in which labor is debarred. The capital involved in the old handicraft industry was so small that small savings, thriftily hoarded, eventually gave the worker a toe hold in the investment. But in modern machinofacture industry the capital involved is so vast that the savings of a lifetime are like the proverbial drop in the bucket. The laborers' hope of acquiring a controlling voice in the management by investing their savings is a negative quantity, their influence in the management is a declining ratio. "And from him that hath not shall be taken away even that which he hath!"

Not only do we have statistics showing that an over supply of labor is a fact, but statistical research has also shown over and over again that the resultant wages of labor are exactly what the theory would lead us to expect. Wages actually do tend to gravitate to the subsistence level. A glance at the tables and charts in the next chapter, with special attention to the incomes of the poor, will reveal the facts in a general way. Streightoff reports [1] that among the 25,440 families studied in 1901 by the U. S. Commissioner of Labor, 99.28 per cent of the husbands were at work, but only 35.74 per cent of the families lived upon his earnings alone. In 1890 the U. S. Department of Labor studied the family life of employees in the cotton, woolen and glass industries, and found that the father was the sole bread winner in only 23.1 per cent of families in the cotton, of 49.6 per cent in the woolen, and of 64.1 per cent in the glass industry. This means,

[1] "The Standard of Living," p. 59.

of course, that the earnings of these men were below the subsistence level for a family. It suggests that the subsistence of an unmarried man is the level down to which the Ricardian principle tends to depress wages. Streightoff further says that according to the Census of Manufactures [1] 4,244,538 men engaged in manufacturing in 1905 received an average income of $533.93. At that time approximately $700 represented the lowest level of physical necessities.

The following facts relative to the manufacturing branch of the steel industry were brought out by the studies of the Interchurch World Movement [2] in 1919. Competent authorities estimated that in that year $2,024 was the "minimum of comfort" level, and $1,575 was the "minimum of subsistence" level for a family of five. But in that year 72,771 unskilled workers in the manufacturing branch of the Steel Corporation's business (i. e., 38.1 per cent of all) were getting annual average earnings $109 below the "minimum of subsistence" level, and $558 below the "minimum of comfort" level. Thus it appears that Ricardo will not down.

Dr. Hadley, until recently President of Yale University, published, in 1884, a since famous book on "Railroad Transportation." He threw in parenthetically a paragraph on the fundamental principles underlying labor organization. Doubtless the reader will be interested in what a man of President Hadley's standing has to say on this important subject:

"There is another aspect of our subject, still more serious than any we have yet treated, which we can do

[1] "The Standard of Living," p. 59.
[2] "The Steel Strike of 1919," p. 93 ff.

little more than touch upon—the competition and combination of labor. Labor is in the market, like any commodity; its price is largely determined by competition, and this too often takes the form of cut-throat competition. A workman working for starvation wages is like a factory or railroad running for operating expenses. In flush times the workman gets comparatively good wages; he marries, and is able to support a family in reasonable comfort. This family becomes a fixed charge upon him; and it is of the utmost importance to society that he should be able to meet his fixed charges in this respect. But a commercial crisis comes, and the demand for labor diminishes. Men who have no family to support come into direct competition with him. He can better afford to work for what will keep body and soul together than not to work at all, even though his wages are brought so low that his children perish for lack of the food which should give them strength to resist disease. And so wages are brought down to the starvation minimum, only to rise above it after long years of waiting and misery. The workman seeks relief in combination; but combination is far harder for him than for the capitalist. Where there are ten factories to combine, there may be ten thousand workmen to be held together—not to speak of the almost unlimited floating labor supply which may be brought in at any point. The law will not help him. If the law regards the pool with disfavor, it regards most of the manifestations of trades-unionism with absolute hostility.[1] No wonder that our workmen try to change the law; no wonder

[1] The attitude of legislatures and courts has materially changed in this respect since 1884.

they call for special statutes against labor importation; no wonder that they seek to limit the supply in the market by a universal eight-hour law. Whether rightly or wrongly, we do not here inquire; it is beyond our purpose to discuss what general improvement is practicable in this field. We only call attention to the close relation between the two problems of starvation wages and bankrupt competition. If capitalists and workingmen can but see this analogy, it may help them to an understanding of one another's position."

To summarize: It is Ricardo's iron law of wages that explains why the laborer, particularly the unskilled laborer, does not share in the ownership of modern large scale property. Since his wages normally tend to gravitate, because of the oversupply of labor, to the subsistence level, the margin out of which he can save is discouragingly insignificant. He is too near the "poverty line." He has all he can do merely to hold his job at a subsistence wage, to say nothing of contesting undivided profits and ownership with the colossal corporation that employs him. This, precisely this! is his handicap and the reason for his discontent.

The human mind is a marvellous instrument; it has a wonderful affinity for the old and familiar. As a rule it offers quite successful resistance against infection by an idea that is new. It is the easiest thing in the world to read a book with a new idea in it, and get everything in the book except the new idea. But that hurts the writer's feelings. Writers are sensitive souls. If they go to the trouble to write a whole book for the purpose of saying one or two things in particular, they really do like to have those one or two things taken particular notice of. If the two of us are to

profit by our quiet little session together it is really necessary, therefore, that the writer say one or two things in such a way that the reader will take notice of them. One thing in particular: there are not jobs enough to go around. Let it be conceded that the writer is red, green, yellow or any other color the reader may wish. Quite apart from the writer's color, here is a fact. F-a-c-t, fact! There are more workers than jobs! Every investigation that has ever been made shows that there is always a very considerable amount of unemployment, approximately 2,000,000 usually.

Let the reader look this fact steadily in the face. Whatever else may be said about it, let him note that *this fact is a cause.* Every fact is a cause; no fact can escape being a cause. But this fact is a very significant cause in our social and industrial situation. In the writer's opinion there is no more significant causal fact in the social field. The writer has built this book chiefly to throw the spot light on this fact and its implications, in the belief that most Americans fail to discern the results it produces when it does business as a cause.

The effects are in plain sight if any one will but open his eyes. It causes the wages of labor, especially unskilled labor, to gravitate to the subsistence level, according to Ricardo's theory, and as all available statistics verify. It prevents the laboring class from saving to any effective extent. It prevents them from becoming owners in modern large scale industry. It excludes labor from any voice in the management. It is producing the polarization of modern society. It is

the fundamental, underlying cause of the present, wide spread social protest.

This protest is sometimes condensed into a sort of slogan, to the effect that labor is not a commodity. This is intended to mean that labor ought not to be treated as such. To regard labor as a commodity is to leave the regulation of wages entirely to the merciless play of supply and demand, just as we think right in the case of corn or coal. This is the way labor has too often been thought of in the traditional economics. The purpose for which Malthus at first put forth his theories was to prove that poverty is inevitable. His book was originally written to reassure reactionaries in their belief that poverty and misery are unavoidable —there was unrest in England, then, due to the first introduction of machines and to the Napoleonic wars. It was only in his later thinking that he discovered a way out and a ground for optimism. But that phase of his work was, for the most part, overlooked. For two generations thereafter political economy was referred to as the dismal science. But the heart of humanity rebelled; the faith of humanity refused to believe that fundamental human rights are impossible of achievement. This faith is summed up in the assertion that labor is not a commodity; which implies that, regardless of supply and demand in the labor market, every honest, capable worker has a right to living wage and a decent American standard of living; that Ricardo's iron law of wages can be nullified by human reason and invention, just as the aëroplane nullifies Newton's law of gravitation; and that it is the bounden duty of a democratic Christian civilization to discover

the solution to this problem. Which will not be easy, will it, as long as there are more laborers than jobs, so that laborers naturally beat one another's wages down to the subsistence level by competition among themselves?

But Ricardo himself suggested a way out. There is something strange, almost perverse, about the way recent economists have missed the fundamental validity and great significance of Malthus and Ricardo. Their theories deserve to rank among the great generalizations of a great century. It was none other than Malthus that suggested the secret of evolution to Darwin. And if social evolution is ever to shift to a new gear, so that the horror will be removed from a ruthless struggle for existence, if the age-old miseries that humanity has suffered from low wages, poverty, famine, over-crowding, pestilence and war, are ever to be finally escaped, it will not be by the nineteenth century's fanatical faith in increasing production, but through the preventive measures suggested by Malthus and Ricardo. Ricardo's own means of escape from the iron law of wages will be set forth in a later chapter.

CHAPTER VII

THE DISTRIBUTION OF WEALTH

IN the last two chapters causes have been set forth. Let us now turn to results. The extreme differences of wealth and poverty are the result.

The facts relative to the distribution of wealth are well known to sociologists and economists. A number of very thorough statistical studies have been made during the last twenty-five years, all of which point in the same general direction. Of those now commonly referred to in sociological literature, the earliest was "The Present Distribution of Wealth in the United States," by Spahr, published in 1896. "The Social Unrest," by John Graham Brooks, appeared in 1903. "Poverty," by Robert Hunter, was copyrighted in 1904. It produced a profound impression upon the public mind. Streightoff published two books, one on "The Standard of Living Among the Industrial People of America," in 1911, and another on "The Distribution of Incomes in the United States," in 1912. A more recent book (1915) on this general subject is that by W. I. King, of the University of Wisconsin: "The Wealth and Income of the People of the United States;" its findings accord quite closely with all the earlier studies. The latest contribution in this field is "The Income in the United States" (1921), by Mitchell, Macaulay, King and Knauth, a survey under the auspices of the National Bureau of Economic Research.

The reader will be interested in some summarized statements of the findings of this statistical research. The following table is taken from Dr. Spahr's [1] book:

THE UNITED STATES, 1890

Estates	Number	Aggregate Wealth	Average Wealth
The Wealthy Classes, $50,000 and over	125,000	$33,000,000,000	$264,000
The Well-to-do Classes, $50,000 to $5,000	1,375,000	23,000,000,000	16,000
The Middle Classes, $5,000 to $500	5,500,000	8,200,000,000	1,500
The Poorer Classes, under $500	5,500,000	800,000,000	150
	12,500,000	$65,000,000,000	$5,200

He supplements the table with this comment: "The conclusion reached, therefore, is as follows: Less than half the families in America are propertyless; nevertheless, seven-eighths of the families hold but one-eighth of the national wealth, while one per cent of the families hold more than the remaining ninety-nine."

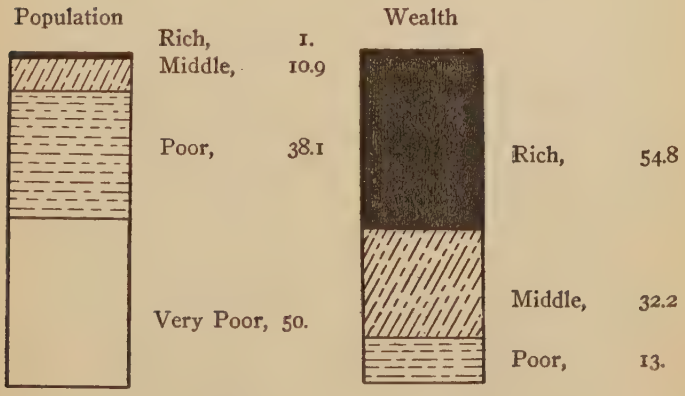
The following, from Robert Hunter's "Poverty," [2] is significant as confirming the findings of earlier investigators:

DISTRIBUTION OF WEALTH IN THE UNITED STATES

Class	Families	Per Cent	Average Wealth	Aggregate Wealth	Per Cent
Rich	125,000	1.0	$263,040	$32,880,000,000	54.8
Middle	1,362,500	10.9	14,180	19,320,000,000	32.2
Poor	4,762,500	38.1	1,639	7,800,000,000	13.0
Very poor	6,250,000	50.0	.....	.....	...
Total	12,500,000	100.0	$4,800	$60,000,000,000	100.0

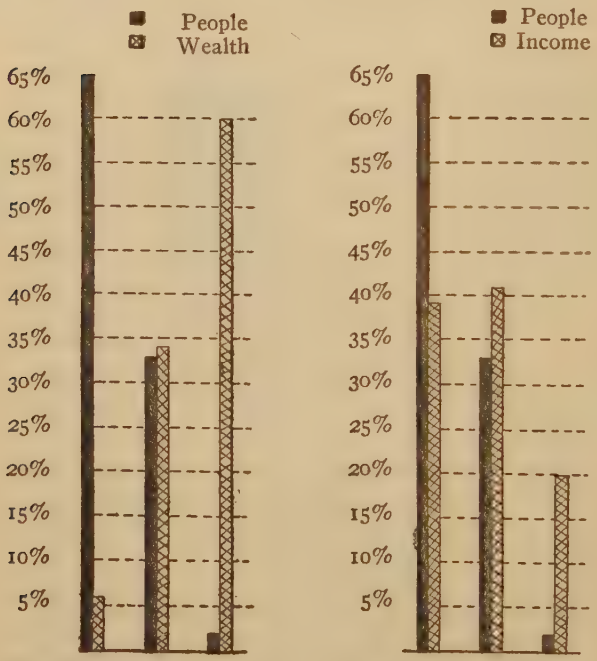
[1] See Spahr's "The Present Distribution of Wealth in the United States," p. 69.
[2] Pp. 44, 60.

DIAGRAMS SHOWING, BY PERCENTAGES, THE POPULATION AND WEALTH DISTRIBUTION IN THE UNITED STATES



Hunter adds: "Without committing ourselves implicitly to them (i.e., these figures), we must acknowledge that they indicate an inequality of wealth distribution which should have before now received exhaustive investigation by our official statisticians." . . . "On the whole, it seems to me that the most conservative estimate that can fairly be made of the distress existing in the industrial states is 14 per cent of the total population; while in all probability no less than 20 per cent of the people in these states, in ordinarily prosperous years, are in poverty." "This brings us to the conclusion . . . that not less than 10,000,000 persons in the United States are in poverty." By "poverty" Hunter means a financial condition in which it is impossible, or only barely possible, to provide for the most elemental physical needs, and which is attended with misery.

King's estimates are indicated in the following table:



Distribution of Wealth — Distribution of Income

KING'S FINDINGS GRAPHICALLY PRESENTED

He also adds: "The richest one per cent of the men dying owned almost one-half of the value of all the estates, while one-fourth of the entire property was in the hands of one four-hundredth part of the people.

Population	*Wealth Owned*	*Income Received*
Richest 2%	60%	20%
Middle 33%	33%	41%
Poorest 65%	6%	39%

This means that each of these men in the richest four-hundredth part of the population possessed a hundred

times the wealth of the average citizen." (King, p. 82.)

According to the study of the National Bureau of Economic Research of incomes in 1918, 86 per cent of those gainfully employed got incomes of less than $2000 (about $1000 on the 1913 price level) or 40 per cent of the national income. On the other hand only 1 per cent of the people get 14 per cent of the total income, and that includes all incomes of $8,000 or more. This survey makes no report on the ownership of property, but only on the receipt of income. The findings may be presented as follows:

Of Population	*Of National Income*	*Amount Received*
Most prosperous 1%	14%	$8000, or more
" " 5%	26%	3200, "
" " 10%	35%	2300, "
" " 20%	47%	1700, "
Least prosperous 86%	40%	2000 (less than)

The foregoing estimates have been quite generally accepted by careful social scientists, and there seems to be no reason for doubting their validity.

Moreover, the concentration of wealth has been growing steadily ever since the Civil War. In the quotation from Professor Ely, a few pages below, he makes reference to this tendency, and points out some of the causes. According to King's studies the concentration of wealth, and especially of income, very perceptibly increased between 1896 and 1910. He says: "If all the estimates cited are correct, it indicates that, since 1896, there has occurred a marked concentration of income in the hands of the very rich; that the poor have, relatively, lost but little; but that the middle class has been the principal sufferer. This evidence of increasing concentration would accord with the infer-

ence drawn from the decreasing share of the product going to wages, which was discussed in the early part of this chapter." [1] In another place (p. 179) he distinctly states that "commodity wages" declined between 1896 and 1915. According to King's study, 39 per cent of the national income was received by 65 per cent of the people; according to the later study of the National Bureau of Research, it took 86 per cent to receive practically the same percentage (40 per cent) of the national income.

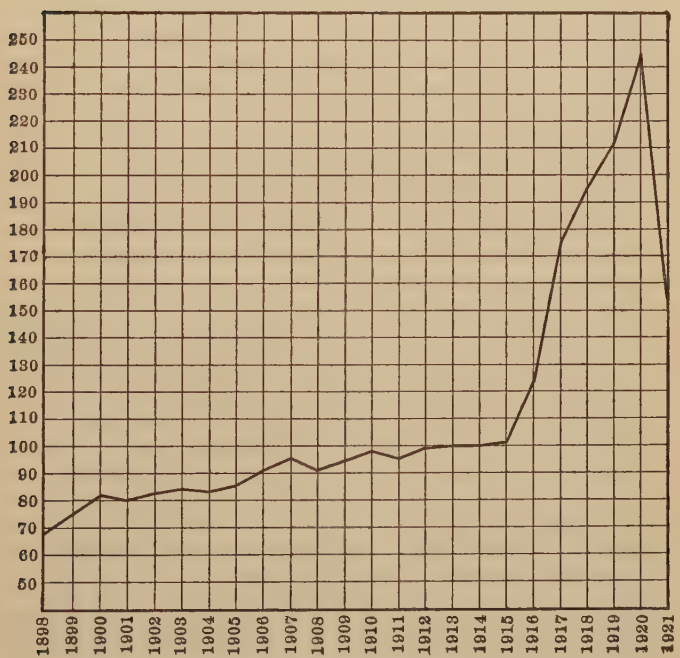
There can be but little doubt that the recent war period saw this tendency toward concentration of wealth accelerated. The public imagination was profoundly impressed with the high money wages of labor during this period. Employers have made the most of the facts for purposes of propaganda, but the public is always liable to overlook the rise in prices of rent, food and clothing. Labor, especially unskilled labor, was not so prosperous as the public has been induced to imagine. An article [2] in *The Journal of Political Economy* for January, 1920, discusses the available data at some length, but without reaching definite conclusions; but showing evidence that labor certainly had not entered a new era of luxury: "Farm laborers," the writer says, "seemed to have fared better than their brethren in the city factories. For both groups the rate of wages rose less rapidly than did the general price level." As for teachers, ministers, civil service employees, and salaried employees in general, they "have contributed the most heavily," having been employed

[1] See "The Wealth and Income of the People of the United States," p. 231.

[2] By Jacob Viner, University of Chicago.

"at rates only slightly above the pre-war levels." Edward T. Devine[1] has shown that the severest sufferers from the high cost of living were that large class who in normal times are barely able to maintain a precarious self-support. The fundamental necessities of life advanced in price far more than the wages this class was able to earn. The advance in rents pinched them even more than the advance in foods. It is probably safe to assume that organized skilled labor was the only class of wage earners that were able to take

[1] *Survey*, Sept. 15, 1920.



THE TREND OF PRICES: INDEX NUMBERS AT THE LEFT

any real advantage of the situation up to about the middle of 1919.

To whom have the high prices been paid then? This question is partly answered by the following table:[1]

Years	Net Income of All Corporations in the United States in Millions	Percentage Increase over 1913	Net Income of 224 Industrial Corporations in Millions	Percentage Increase over 1913	Bureau of Labor Wholesale Price Index
1913.....	$4,340	....	507	....	100
1914.....	3,711	14.5	381	—24.9	99
1915.....	5,184	19.4	664	31.0	100
1916.....	8,766	102.0	1,364	169.0	123
1917.....	10,500	141.9	1,750	245.1	175
1918.....	9,500	118.9	....	....	185

The conclusion of Professor Viner's article ("Who Paid for the War?") is that there was an actual increase (instead of decrease) in production during the war, due to the increased utilization of the nation's capital and labor resources, that the additional production "inured in large part as profits to certain groups, and then (was) turned over to the government as loans instead of as taxes." This was the case, at least, up to the summer of 1919. After that, till the shut-down in the fall of 1920, labor had its brief innings.[2]

"Congressmen Rainey of Illinois and Griffin of New York spent some time during the closing days of the session in discovering the number of new millionaires

[1] Quoted by Viner from David Friday's "The War and the Supply of Capital," in *American Economic Review Supplement*, March, 1919, p. 89.

[2] See page 56 above.

the war brought us. A preliminary compilation of the income tax returns, according to Congressman Rainey, shows the following figures:

Income range	Number in class 1914	1919
Above $1,000,000	60	248
$500,000 to $1,000,000	114	405
$300,000 to $500,000	294	580
$200,000 to $300,000	363	1,100
$100,000 to $200,000	1,595	4,700
Total above $100,000	2,426	7,033

"There is thus nearly a three-fold increase in the number of those receiving big incomes and those in the class in 1914 added vastly to their incomes during the war. In 1919 one man reported an income of $34,000,000; two reported more than $16,000,000; and five had more than $5,000,000 each. As will be noted by the above table, 248 were receiving more than $1,000,000 a year each." [1]

The percentages of distribution set forth in the chart on page 68 would seem to be predetermined by the sieves in our industrial machine. According to our constitution only half a dozen men more or less can be Presidents of the United States during a generation. The rest may be ever so ambitious and capable, but they have to be content with something less. There are more chances for them to be school directors. The organization of our institutions is such that we utilize about 115,000 lawyers, 150,000 doctors, 120,000 clergymen, and 600,000 teachers. However ambitious the average youth may be to get into these professions, those in excess of the figures enumerated above will be

[1] From an unverified newspaper clipping.

disappointed, because our society is not organized to place them. Of course, which persons are picked to fill these positions and which are rejected depends partly on the personality of the individuals; but the number is fixed in advance. The same is true of distribution of wealth. Our industrial institutions are so organized that to the ownership of sixty per cent of our wealth only two per cent of our people are admitted. Who shall be picked for membership in that two per cent depends partly upon the personality of the individuals and partly upon the accident of birth; however ambitious or capable the other 98 per cent may be they cannot qualify. The number of successful candidates is predetermined just as definitely as is the percentage of men in any generation who may belong to the United States Senate.

The facts and principles set forth in the two preceding chapters make it clear that this excessive concentration of wealth, on the one hand, and this vast extent of poverty on the other, must be due, in part at least, to the rules of the game. The rules of the game assign management to owners and also permit unlimited ownership. These two rules were the rules of the old handicraft game. In the old game the old rules worked fairly well—except in agriculture. But the new machinofacture game is a different game entirely. The new feature is that every time a batter makes a fair hit and a safe run it automatically adds a cubit to his stature. Hence in the new game the old rules are a social injustice; they result in the industrial disfranchisement of sixty-five per cent of the players while two per cent do all the batting. Would it not be a good idea to make some slight changes in the rules

of the game, such as limiting the batters to, say, three safe runs?

The injustice of the old rules can be observed disinterestedly from the outside by taking note of how they worked out in agriculture, even in the old game; that is, in Europe during the medieval and early modern centuries. In European agriculture they always separated ownership and labor. When the land barons once got hold of the land there was scarcely any more opportunity for the peasants to acquire the ownership of it than there was for them to acquire the ownership of the moon. Hence there developed, almost all over Europe, a landed aristocracy and an oppressed agrarian peasantry. We escaped that in America chiefly because of the unlimited supply of new land, but also because of our policy of giving out our wild land to actual settlers. But now that our new land is all taken up there is danger that we may drift toward an agrarian aristocracy of absentee landlords, even here in America, as is suggested by the rise in the percentage of tenancy in the last forty years. The point is, that in modern capitalistic industry the old rules work quite as badly as they always have worked in European agriculture.

But to the modern captains of industry the defects of the rules are quite as invisible as they were to the medieval land barons. They are satisfied to do the batting, and they feel confident that they can do it rather better than anybody else could. Such facts as those set forth in the foregoing charts and tables they do not regard as symptoms of social disease but as dispensations of Providence. A prominent New York banker, writing in the *American Magazine* for March 1920, expresses pained surprise, and mild concern, that

people should be disquieted over such facts as those revealed in King's book, inasmuch as the shares of wealth and income are assigned by inviolable economic law, and inasmuch as it would add barely a hundred dollars or so to a poor man's income even if the shares were all equal. It seems improbable, however, that his view of the case should find very general acceptance among laborers: it makes all the difference in the world whose ox is gored! Especially as these theorists are a bit inconsistent. Sometimes they argue that inviolable economic law is responsible for differences of wealth and poverty; sometimes they locate the cause in human nature and individual differences. Wide apart as the poles though these two explanations are, they are alike in this: that they recognize no feasibility in undertaking to make any material alterations in the general situation. That seems to be the point of chief concern with this type of mind. The moral they point, in either theory, is for the masses to labor diligently and bear the dispensations of Providence with patient, cheerful resignation. This is the New York banker's cure for the social unrest.

There is a kernel of truth in these theories, to be sure; but they overlook, indeed they deliberately persist in ignoring, the fact that the rules of the game affect the distribution of wealth. The extreme maldistribution of wealth is a social injustice, as our posterity will be able to see very clearly. It is due to causes over which an enlightened society has control, but to which we are blind for reasons stated in Chapter II.

This fact is illustrated in an interesting quotation from Professor Ely,[1] written in 1899: "A still better

[1] Ely, "Monopolies and Trusts," p. 254.

illustration is afforded by the concentration of wealth in England, which is traceable very largely to causes that were in operation during the reign of George III. During the past fifty years England has been trying to remedy the evils which have resulted from mistakes made during the preceding fifty years, but she has as yet by no means succeeded. Similarly, a very brief period, beginning with the Civil War—a period probably not exceeding twenty-five years—is very largely responsible for the excessive centralization of wealth in this country, and for many evils which it will take more than one generation to overcome." . . . "The author has in mind, among other things, the character of taxation, the financial methods of railway construction and management, and the issues of depreciated paper currency." These are the sieves in the industrial threshing machine. They determine where the wheat shall go, where the screenings, and where the chaff. Of course, those who get the wheat can find reasons in the dispensations of Providence why the others should be patient.

Such concentration of wealth is (let us confess it!) a horrid thing, however complacently the rich themselves may regard it. It means power in the hands of a few, and the constant danger of plutocracy. And in plutocracy there is hope neither of social justice nor international peace. At the other extreme it means misery, anxiety, privation, suffering, sickness, and death. It breeds social degeneration. Hunter, after having done charity work for years among paupers and vagrants, and then, for another term of years, relief work among the honest, hard-working, struggling poor, came to the conclusion that society has its large army

of vagrants and paupers just because the struggle for an honest living is so desperately hard and so pathetically hopeless. Maldistribution of wealth also breeds class hatred and social unrest. For, as has already been shown, the chief causes of the extreme maldistribution of wealth and welfare are social injustices. The rules of the game are wrong; and the masses know it.

And social injustices are more intolerable than they ever were before, because they are inimical to the ideals of both Christianity and democracy. The masses have not drunk the creed of liberty from their mother's milk nor partaken of the bread and wine of Christian ideals to no effect. They demand a Christian democracy in which these ideals shall be realized. They insist upon a world in which every individual shall be treated as an end in himself, and no longer degraded to the cruel level of mere means; a world in which every child shall be protected by coöperating institutions from the avoidable influences that now crush needlessly so many lives; a world in which every person shall be guaranteed a satisfying share in the rich heritage which civilization affords. The present social unrest is the articulate desire of the masses for social justice, and God will eventually grant the desire of their hearts. For the extremes of wealth and poverty are preventable. Each individual should have enough so as to assure him satisfaction of the fundamental needs of human life. No one should possess so much as to interfere with his own or his children's full efficiency; nor with the like efficiency and happiness of others. It is an old principle of economics that luxury should be enjoyed by none till necessities have been provided for all.

An equitable circulation of wealth is what is wanted; not an equal distribution. That is a very significant distinction! Equality, even if it were possible, would be no more just than the present extremes. The word circulation (instead of distribution) suggests a process instead of a status; and implies that each individual must be constantly alert and efficient in order to secure his share. Nor does a better circulation of wealth imply that the rich are to be slugged and robbed. It does mean that the opportunities to amass immense fortunes by hocus-pocus jugglery should be closed in the future. It further means that large estates should be subjected to a "kind but firm" pressure, of which the owners would be quite as unconscious as a smoker is unconscious of the indirect tax on tobacco. No scientific economist has ever advocated schemes any more painful than those suggested by Mr. Carnegie for the redistribution of large fortunes.

Another thing: many poor people over-estimate what they would get out of the redistribution of wealth. We should not all be rich and ride in limousines! Wishes would not become horses. Only a small margin would be added to the income of those now below the average. Economy would be just as necessary as ever. There is no magic by which everybody can be made rich. But there is a magic word by which everybody can be given an opportunity to earn a decent living, and live a happy, useful life. That magic word is justice! Nor is there any magic word by which capital can be accumulated. During the past fifty years capital has been accumulated, and in vast quantities, as was shown in Chapter V. And that is a matter of major consequence. It may even be that this achievement is worth

all the social costs involved. Perhaps in the long run more people may be benefited by the capital that has been accumulated than would have been benefited by a fairer distribution of wealth. Certain it is that if, in an attempt to redistribute wealth, we should dissipate capital, we would do more harm than good. That is what Bolshevism has done so far, and what Socialism would be very liable to do wherever tried. A faulty distribution of wealth, bad as it may be, is better than failure to produce wealth. Unless the masses can be taught to save and reinvest, individually and collectively, we had better keep the old rules. But surely the masses can be taught to conserve wealth, just as they have been taught to conserve government. The secret is education and moral regeneration. It is a spiritual problem. Indeed, the whole social readjustment is primarily a spiritual problem, as will be shown in the last half of this book.

CHAPTER VIII

SPECIAL GRIEVANCES OF THE MIDDLE CLASS

IN the previous chapters we have been discussing the maladjustments and social injustices of our industrial organization as it now stands. Up to this point we have gone on the assumption that it is the laboring class, if anybody, that has a grievance. We have tried, in other words, to examine the causes of social unrest to ascertain whether the laboring classes have any just ground for complaint. We have arrived at the conclusion that they have.

We come now to a new phase of the subject. Hitherto the question has been whether there is anybody in the case whom we ought to sympathize with. Now we raise the suggestion that it might be quite proper for us of the middle class to sympathize a little with ourselves. Or, to state the case declaratively: We of the middle class are ourselves the chief victims of things-as-they-are.

For a long time the radicals have been ridiculing us for our blindness to the social forces that are handling us, and to the trend of events. They call us "smug"; which implies that the pinch we feel is not the pinch of poverty but the pinch of luxury, and that, well fed and sure of our jobs, we are selfishly indifferent to the cry of the oppressed. They laugh at us on the bases for defending the rules so religiously in our confident

expectation that we are presently going to beat the Colossus at its own game and get a chance ourselves to bat. They cartoon us as a fat sloth hanging asleep by one arm from a limb that is gradually breaking off.

Unfortunately the facts bear out their jibes! For the facts are as follows:

It is unquestionably the middle class that were the chief victims of the war-time high cost of living. Labor was no worse off than it had been before; probably it was somewhat better off, especially during the early part of 1920; though there were great bodies of unskilled laborers, like those in steel manufacturing,[1] whose earnings remained decidedly below the lowest possible standard of living. As for the organized skilled trades, they were relatively prosperous. Most business managers were favored by the trend of prices, some were made into profiteers, and some of the big corporations realized fabulous profits. But the middle class suffered. Salaries responded to the price curve more slowly than wages, and much more slowly than profits. Ministers perhaps suffered as badly as anybody. Thousands of capable middle-aged men left the teaching profession, discouraged and in many cases embittered. A real crisis was thereby created in education—unless something effective is done to remedy it our schools will suffer for a generation to come. Civil service employees had cause to worry, too; in fact, all salaried employees. Retired farmers, and small business men, widows, orphans, and all others dependent on the interest from small investments were pinched perhaps the worst of all. And along with all these classes were the

[1] See "The Interchurch World Movement Report on the Steel Strike of 1919," pp. 85 ff.

small professional men who serve them. The tendencies of the last seven years are similar tendencies, however, to those that have been operating for the last sixty years, except that they have been accelerated recently. They are exactly the same tendencies that will continue throughout the lives of our children and grandchildren unless we do something effective to check them.

The middle class is being gradually eliminated by the growing concentration of wealth. Our proportion of the nation's wealth is a declining percentage. That has been clearly shown by King.[1] In a quotation from him in a previous chapter (VII) we had this: "That the poor have, relatively, lost but little (between 1896 and 1910), but that the *middle class has been the principal sufferer.*" In his tables King lists 65 per cent as poor, 33 per cent as middle class, and 2 per cent as rich. (See chart, p. 68.) The poor are already considerably in the majority—nearly two thirds. Only one third are listed as middle class. King divides these into the upper and lower middle class. Both are losing ground so far as their share of the nation's wealth is concerned. His other tables show that the disadvantage of the lower middle class has been slightly greater than that of the upper middle class.

The growth of farm tenancy is another straw in the wind, and it shows the wind to be blowing in the same general direction. The percentage of tenancy, *by farms,* has increased from 23 per cent in 1880 to 38 per cent in 1920. The fact that it was 35 per cent in 1900 seems to indicate that the increase has prac-

[1] Page 81.

tically stopped. But this is deceptive, and optimism based upon it, unwarranted. Statistics will be "released" in a few months showing that the percentage of *farm values* operated by tenants in certain typical sections of the corn belt is now as high as 60 per cent. This indicates that farm property is persistently drifting into the hands of absentee owners, and that farm operators are persistently falling into the relatively propertyless class. It means that, in the farming business, to him that hath shall be given, and from him that hath not shall be taken away even that which he hath. It indicates a gradual polarization of society so far as the agricultural industry is concerned. It suggests that in rural as well as industrial America the middle class is disappearing.

Not only are our property holdings falling off relatively, but our birth rate is declining also. We raise smaller families than our great-grandfathers did, and than do our back-door neighbors, the laboring class. This is particularly true of the native white stock, which may be thought of as the backbone of the middle class. It is true not only of the old American stock but also of the descendants of the old wave of immigration from northwestern Europe. Says Professor Ellwood[1]: "Apparently, therefore, we must conclude that the birth rate of the native whites in the United States is declining to such an extent that that element in our population threatens to become extinct if present tendencies continue." While the native white stock is not exactly identical with the middle class, the terms are so nearly synonymous that the quotation is relevant, since the most important cause for the declining birth

[1] "Sociology and Modern Social Problems," p. 191.

rate is the pressure of our industrial system. "Economic conditions," Ellwood continues, "are without doubt mainly at the bottom of the decreasing birth rate in the native white American population." This is particularly significant, coming as it does from Professor Ellwood; for, among recognized American sociologists, he is perhaps the most open and avowed antagonist of socialistic theories. Among the reasons for our declining birth rate is the pressure of immigrants upon us. They come with a lower standard of living than we are accustomed to; we are, therefore, unable to compete with them in the wage market; accordingly we find relief by limiting the size of our families. Again, the entrance of our women into industry has postponed marriage, especially of middle-class women, and so reduced the number of their offspring. And finally divorce and the instability of our family life have had their effect. For all these reasons the children of native white stock are being crowded aside at the portals of life, by children of immigrants. We of the "bourgeoisie" are committing race suicide, while the "proletariat" are taking our place.

Such are the facts; let us now turn to the interpretation of them.

Marx, the father of modern socialism, predicted the extinction of the middle class. According to his economic philosophy the polarization of society was predestined to continue until the few at one pole became extremely rich, and the "bourgeoisie" were absorbed into the "proletariat." As soon as this process had been carried far enough the class war between capitalist and "proletariat" would occur, whereupon the capitalistic system of industrial society would be over-

thrown, and the dictatorship of the "proletariat" set up. This is the philosophy underlying the Bolshevik revolution in Russia, and you can hear this doctrine expounded in any I. W. W. jungle camp or meeting place. It is the avowed policy and program of radical socialism to accelerate class consciousness. The radicals not only see but passionately approve a tendency for the members of the middle class to drop down one by one through the social sieve into the "proletariat." This explains why dyed-in-the-wool socialists will not unite with middle class progressives in trying to secure remedial legislation. They believe that reforms designed to tinker up the capitalistic system will only keep it on its wheels just that much longer, and so postpone the socialist revolution which they regard as the only cure for the ills of modern society, and inevitable eventually, anyhow. Accordingly they desire to hasten the time when the "proletariat" will, as a result of this process, find itself in the overwhelming majority; whereupon the revolution, which they so impatiently await, will occur. This is the socialist theory.

The worst thing about this Marxian prediction is that so far it appears to be coming true. Not only are we of the middle class losing our share of the nation's wealth, but our stock itself is losing out. The middle class actually is declining at a rate that encourages the Marxian socialists to hope for its eventual extinction. The process, like the motion of the hour hand, is not visible, or at least it has not been till just recently; but its movement around the dial is no less sure for all that; and the tendency has been well recognized for a long time by perfectly orthodox sociologists.

Two forces are rubbing us through the colander into

the "proletariat." One is our false ideals and artificial standards of living. This factor will be discussed in the second half of the book on the spiritual aspects of the social unrest. A second, and for our present purposes the more significant, cause is the sins of the Colossus. The Colossus is the aggressor; and we of the middle class are his chief victims. Let us enumerate some of our middle class grievances against the Colossus.

"Our Financial Oligarchy." This is a chapter title from a little book that every middle-class American ought to read: "Other People's Money and How the Bankers Use It," by Justice Louis D. Brandeis, of the United States Supreme Court. The book is based on the findings of the Pujo Committee appointed by Congress in 1912 to investigate the so-called "money trust." The Brandeis book was published in 1914; a quotation or two from it will convey some slight suggestion of the power a small group of financiers exercised over American business. There is no reason to believe that the conditions he cites have changed for the better.

"Among the allies, two New York banks—the National City and the First National—stand preëminent. They constitute, with the Morgan firm, the inner group of the Money Trust. . . . In the National City is James Stillman; in the First National, George F. Baker. . . .

"It may help to an appreciation of the allies' power to name a few of the more prominent corporations in which, for instance, Mr. Baker's influence is exerted . . . visibly and directly . . . as voting trustee, executive committee man, or simple director:

"1. Banks, Trusts, and Life Insurance Companies: First National Bank of New York; National Bank of Commerce; Farmer's Loan and Trust Company; Mutual Life Insurance Company.

"2. Railroad Companies: New York Central Lines; New Haven; Reading; Erie; Lackawanna; Lehigh Valley; Southern; Northern Pacific; Chicago, Burlington and Quincy.

"3. Public Service Corporations: American Telephone and Telegraph Company; Adams Express Company.

"4. Industrial Corporations: United States Steel Corporation; Pullman Company.

"Mr. Stillman is director in only seven corporations, with aggregate assets of $2,476,000,000; but the directors in the National City Bank, which he dominates, are directors in at least 41 other corporations which, with their subsidiaries, have an aggregate capitalization or resources of $10,864,000,000.

"The members of the firm of J. P. Morgan and Company, the acknowledged leaders of the allied forces, hold 72 directorates in 47 of the largest corporations of the country."

These paragraphs are typical, but they are too short to convey any adequate idea of the vast extent of the "oligarchy's" influence.

Brandeis specifies three "resultant evils," as follows: first, "a heavy toll upon the whole community"; second, "suppressing competition," and, third, "the suppression of individual liberty."

Unfortunately space here is so limited that the far-reaching effects of these "resultant evils" must be left to the reader's imagination. But suffice to say that

under the circumstances there seems to be very little point to the debate as to whether the price of coal is due to freight rates or to the price at the mines, or whether the wheat growers' grievance is interest rates, freight rates or commissions. In either case, it is apparently the "oligarchy" to which we of the middle class are paying tribute.

"The Cheat of Overcapitalization." This is the title of an article that appeared in *Everybody's Magazine* for June, 1907. The period of ten years previous to that date had seen most of the railroad and industrial corporations "reorganized." The United States Steel Corporation, for instance, had been capitalized at about a billion and a quarter, approximately half of which was common stock, which "represented the prospective earnings" of the concern.[1] The constituent companies had previously been reorganized and watered. The following, from Stuart Daggett, in "Railroad Reorganization" (pp. 321ff), is a typical illustration of what was going on throughout the entire field of finance:

"The following plan was put through. Instead of one Chicago, Rock Island and Pacific Company, the Moores now proposed to have three companies, of which one was to operate the railroad, one was to hold the stock of the operating company, and one was to hold the stock of the company which held the stock of the operating company. This is to say, the Chicago, Rock Island and Pacific Railroad Company was left undisturbed, while in Iowa a Chicago, Rock Island and Pacific Railroad Company was formed to hold the stock of the Railway Company, and in New Jersey a Rock Island Company was organized to hold the stock of the Railroad Company. . . .

[1] See Meade's "Trust Finance," pp. 191 ff.

The old Railway Company had a capital stock of $75,000,000; the new Railroad Company issued stock to the amount of $125,000,000 and 4 per cent bonds to the amount of $75,000,000. The Rock Island Company issued common stock to a total of $96,000,000 and preferred stock to a total of $54,000,000; and the aggregate, excluding the undisturbed bonds of the Railway Company, footed up to $425,000,000 instead of to $74,000,000 as before. From this total must be deducted $200,000,000 which represented issues of stock by one company to another, and $21,000,000 Rock Island Company Stock and $1,000,000 Railroad Company bonds reserved for future extension, leaving a net increase from $75,000,000 to $202,500,000."

Now with all this water in the stock, more or less of which may or may not have been "squeezed out" in the last twenty years, how can the Interstate Commerce Commission determine what the valuation is upon which rates should justly be computed? The overcapitalization that took place twenty years ago in the railroad industry and in the public service corporations of our cities is the unknown quantity in our present problem of regulating prices in these fields. This has been brought out very clearly by Delos F. Wilcox in his recent book on "The Electric Railway Problem." The rates we pay to-day are, in part at least, our tribute to those clever jugglers who pocketed the overcapitalization they had created during that period of frenzied finance. The "water" is now "sewed in," and the problem of rate regulation is well nigh insoluble as a result. If competition determined prices, overcapitalization would do no special harm; otherwise, overcapitalization screens a policy of charging what the traffic will bear. Wherever government regu-

lation, or even public opinion, has any influence upon price making—as it is now the case in many basic industries—overcapitalization is a more or less successful cheat. And the middle class consumer is the chief victim.

Monopoly. The latest source of popular information on the subject of monopoly is Eliot Jones's "The Trust Problem in the United States," published in December, 1921. After discussing the early history of the trust movement in America he devotes a chapter each to several of the best known trusts: oil, sugar, tobacco, shoe machinery, steel, and harvester. The following quotations will interest the reader. "Both history and general reasoning establish the tendency of the trusts to increase prices" (p. 261). "Sugar prices were low when competition was present, and were advanced when competition was absent or brought under control" (p. 263). "Trusts in the steel industry seem also to have made for higher prices of steel products" (p. 263). "That these prices were highly profitable is proven by the enormous profits obtained by the Corporation, enabling it within fifteen years more or less to squeeze out the water from its stock, which at the beginning had little behind it but the hope of monopoly gains" (p. 265). "In the years that followed (1898) control was made effective, and prices (of plug tobacco) and profits increased" (p. 267). "The snuff branch is most highly monopolized, while the cigar branch is the only one the trust has been unable to dominate. The table on page 160 shows that about 40 per cent of the price of snuff from 1900-1910 was profit, while only about 8 per cent of the price of cigars was profit" (p. 159ff). "Data are not available

to determine what influence has been exerted on prices by the harvester and shoe machinery trusts" (p. 267). "Professor Jenks' conclusion (is) that the trust was able to control the price of spirits rather effectively for comparatively short periods after each reorganization" (p. 268). "Generally speaking, the capitalization of the trusts was twice as large as the value under competitive conditions of the properties and business that they acquired" (p. 269). "The protective tariff thus promoted the trust movement by offering to the manufacturers prospects of large profits" (p. 273). "Whereas competition provides a stimulus to the introduction of improved methods, the tendency of monopoly is toward stagnation. . . . As Professor Clark puts it, 'monopoly makes no proper use of that invaluable agent of progress, the junk heap' " (p. 535).

Monopoly is an extremely difficult subject on which to secure concrete, up-to-date information. Professor Jones's study brings us down only to 1910, so far as concerns facts relative to actual monopoly power and its effects. The present writer sent inquiries to some twenty specialists in this field. The replies indicated that the facts are not available. They are trade secrets to which neither the public nor expert economists have access. Nevertheless the outstanding impression was that there is a considerable list of staple commodities that are more or less subject to monopoly control. It is clear that the snout of the vacuum cleaner is in the pockets of the middle class.

Waste. Slowly our eyes are being opened to the waste in modern industry as it is now organized. For the last ten years we have heard a good deal about the wastes of our timber resources and the need of refor-

estation. The public has heard a little about wastes in coal mining; but is still poorly informed about the extent of those wastes.[1] Advertising is of course necessary to the competitive system, which is to say that the competitive element in modern industry is responsible for the wastes of advertising.

But the latest sensation is a new book just off the press: "Waste in Industry," by the Committee on Elimination of Waste in Industry of the Federated American Engineering Societies, of which Mr. Herbert Hoover is the president. This is a piece of thoroughly scientific statistical research. It finds that the average waste [2] in men's clothing manufacturing is 64 per cent, in the building industries 53 per cent, in printing 58 per cent, in boot and shoe manufacturing 41 per cent, in the metal trades 29 per cent, and in textile manufacturing 49 per cent. The standard of comparison is the most efficient plant in each industry.

The quantity of industrial waste is not summarized. Its magnitude may be inferred from scattered statements. "Standardization of the thickness of certain walls might mean a saving of some $600 in the cost of the average house." [3] "These variations (in width and length of printed pages and columns) cost the public not less than a hundred million dollars each year." "In men's ready made clothing industry—it should be relatively easy to save three quarters of a million dollars a day." [3] "The total direct cost of industrial accidents in the United States in 1919, including medical aid and insurance overhead, was not less than

[1] See the series of articles in the *Atlantic Monthly* for 1921.
[2] See "Waste in Industry," p. 10.
[3] The same book, p. 11.

$1,014,000,000. . . . Experience indicates, and authorities agree, that 75 per cent of these losses could be avoided . . ." [1]

The report states that "over 50 per cent of the responsibility for these wastes can be placed at the door of management and less than 25 per cent at the door of labor, while the amount chargeable to outside contacts is least of all." [2]

These facts suggest that we might not be taking such an appalling risk as Mr. Gary fears in giving labor a voice in the management of industry. Things could hardly be worse, from the standpoint of efficiency! [3] Of these wastes the consuming public is the victim, and that includes the middle class!

Taxes: One can find it hinted at in almost any standard treatise on taxation that it is always the governing class who control taxation. Visible property is much more easily taxed than invisible property; but those of us who manage to own a house and lot, an automobile and a piano, or even a small farm with a mortgage on it, are not very successful in hiding them. Indirect taxes have always been popular with the tax-making power. They shift the burden to the great mass of consumers; they relieve the rich of their proportionate share of the taxes. Until recently the federal government has used them almost exclusively. Every middle class American should study diligently, especially at this time, the system of indirect taxation by which the Civil War debts were paid.[4] Professor

[1] See "Waste in Industry," pp. 22, 23.
[2] The same book, p. 9.
[3] Veblen's "The Engineers and the Price System," pp. 108ff.
[4] Coman's "Industrial History of the United States," pp. 283ff. and Daniel's "Public Finance," pp. 130-180.

Ely declares [1] that it hastened the concentration of wealth. It was one of the mysterious drugs with which our infant industries were stimulated to such colossal growth. The excess profits and income taxes of 1917 are almost revolutionary in the way they tend to put the tax burden where it belongs in a democracy. Professor Friday makes it clear [2] that these taxes came out of the profits fund that the war was creating. They did not *cause* the high prices of that period; they reached into the pockets of the profiteer and turned part of his gains over to the government. Otherwise he would have kept them all. There is a vigorous propaganda going on now to have these taxes repealed; and the public is much too ready to believe all they are told about the alleged disadvantages of these taxes. It is only sheep that before their shearers are dumb. But a "Tax Payers' League" in Alabama, the governor himself aptly dubbed "The Tax Dodgers' League"; and the *Literary Digest* for May 14, 1921, has the suggestive caption: "Taxes to be Shifted, not Lifted." If they are shifted it will be mainly to us of the middle class.

War debts: War debts have never attracted the thoughtful attention they deserve. History teaches that they are mainly a phenomenon of very recent centuries. In anything like their modern proportions they have grown up along with the growth of modern capitalism. In no small measure war debts are a creature of the Colossus. They have now reached a pitch where they threaten to bankrupt European governments; and such

[1] See above, p. 76ff.
[2] "Profits, Wages and Prices," Chapter XII.

a collapse might disintegrate the whole fabric of modern industry. The policy of financing a war on borrowed funds secretes a most plausible philosophy that makes it appear quite impracticable to conscript wealth, as we conscript young men. But the philosophy is misleading; it tends to fatten the Colossus. Nothing would go farther toward making future wars impossible than a complete collapse of the present war credits. If war debts should prove uncollectible the Colossus would want no more wars. "We" is never so ambiguous a word as when it is connected with war debts. It scarcely occurs to us that *we* owe the war debts to *ourselves,* much less to inquire precisely which of us owe them, and which of us we owe them to. The fact is, a war debt is a device by which the money lending class spread the conscription of wealth out over a period sufficiently long so that it can be conscripted from the tax paying class. And that means chiefly us of the middle class—unless we take charge of the tax making by which war debts are paid off.

The spoiled attitude of labor. It was a matter of common remark during the period of high wages that labor was less efficient than formerly. Men tried to see how little they could accomplish. Fathers formerly taught their sons to deliver an honest day's work for the wage agreed upon. That attitude seems to be relatively rare to-day. By their policy of soldiering on the job labor has largely forfeited the good will of the public.

The wage earners' loss of motive for diligent, honest labor was one of the outstanding facts of the recent situation. It is a disconcerting psychology that calls for explanation; and much has been written about it. The war stimulated the worker's motives so long as the

patriotic impulse functioned. But after the armistice, when labor became convinced that not the Cause but the profiteers were benefiting by their work, they slowed down; till by the fall of 1920 their high wages and reduced efficiency had absorbed all profits—whereupon the profit makers balked in turn.

It is easy to assume that the interests of employee and employer are identical; and employers like to preach that doctrine. But laborers, especially in the large scale industries, are increasingly skeptical. It would clarify the atmosphere if economists would ascertain definitely just how much mutuality of interest there is or is not in specific industries, and express the same in a coefficient of correlation. That would furnish a factual basis for the formulation of public opinon.

The reason for the demoralization of labor may be inferred from chapters on the modern Colossus, the iron law of wages, and the distribution of wealth. According to the principles set forth in those chapters all that unorganized labor can hope to get out of modern industry is a bare subsistence, while the whole surplus goes to the investor. Perhaps it is too much to expect the typical middle class reader to understand that, because there is (as normally) a labor over-supply of a million and a half, constantly increased by organized and solicited immigration, all there is in industry for common labor is a bare subsistence wage. But common labor understands it. Labor knows, however blind we of the middle class are to the facts, that the dice are loaded against him. He is tired of grinding out profits for the stock holders. Under modern large scale industry the identity of interest between employer

and employee, that there used to be under the old small shop régime, is normally conspicuous by its absence.

It is the Colossus that has demoralized our workers for us. If all industries had remained small scale industries, like the ones most of us are in, labor would never have been demoralized, there would be no soldiering on the job, and fathers would still be teaching their sons to render an honest day's work for their wage. But since it is the big industries which we do not run that have provoked the soldiering by systematically exploiting labor, we fail utterly to understand it. Whenever we hire a washerwoman, a handy man about the place, a harvest hand, or laborers in our small scale businesses, they shirk on our jobs too, just as if we were to blame; and when we buy steel, coal, sugar, lumber, or what not we pay the cost of their time-killing in large scale industry itself. The attitude of labor has been spoiled by modern capitalism; and we of the middle class are the victims.

The Balk. We need a new word in the English language. Sabotage we have imported from the French to name the balk of labor. Originally sabotage meant the destruction of machinery by the workers; but it has now come to mean that soldiering on the job by which the workers slow down production to promote their own advantage—real or imaginary. It was this kind of sabotage by which labor so reduced its efficiency between the armistice and midsummer 1920 that there were no profits left. But large scale capital does exactly the same thing in principle.[1] The coal operators, for example, close down or run short shift during the summer lest they supply the market too lib-

[1] Veblen, "The Engineers and the Price System," pp. 127.

erally with coal, and so lower the price. We now know that their doing so during the summer of 1920 was what the strike of that year was a protest against; and that such is their usual policy. The woolen manufacturers did likewise during the spring of 1920. Monopolies balk as a systematic policy. The tobacco growers tried to balk during the 1921 season; but failed through lack of organization. To furnish the consuming public with an abundant supply of food materials next summer (1922) the farmers are now dreading as a calamity; but they have no organization for balking together. Housing construction has balked for several years past. Industry as a whole balked in the fall of 1920, when no further profits were forthcoming. The periodical business depressions that have occurred with considerable regularity for a century are really nothing more or less than the balk of industry. They seem, like war debts, to be a phenomenon characteristic of the machinofacture régime. For this balk of industry we have no name as yet, because we regard it as part of the necessary nature of things. Doubtless it is necessary to the nature of things-as-they-are; but it comes high for us consumers of the middle class.

The Press. Every middle class American should read the two books by the Interchurch World Movement on the Steel Strike of 1919. These books will be increasingly read for ten years. Eventually they will modify public opinion fundamentally on the labor-capital controversy. If the Movement never accomplished anything but the putting out of these two reports it was worth all it cost. Seldom has the church ever struck a sharper blow in behalf of humanity.

The second volume of this report devotes some sev-

enty-five pages to a factual presentation of the attitude of the Pittsburgh newspapers.[1] The following quotations indicate the conclusions: "It is inconceivable that the public which relied on the Pittsburgh newspapers could . . . have understood the causes of the strike or the significance of the incidents. . . . The newspapers never questioned the impression that the only 'moral' issue favored the side of the Steel Corporation. . . . The effect of the 'news' treatment of the strike was to create the overwhelming impression and prejudice that the strike came about through the pursuit of unreasonable demands, inspired by revolutionary motive. The real issues of the strike were never printed. . . . The Pittsburgh newspapers were simply a more emphatic example of policies which convince labor that the press is unfair to labor during a strike. The record of the Pittsburgh papers was not such that critics could point to most other papers of the country as a great contrast."

It may well be conceded that Upton Sinclair has a very unfortunate literary style. Not only does he egregiously overwork the perpendicular pronoun, but he loses his temper and gets red in the face whenever he talks in public. These peculiarities furnish plausible grounds for swamping him with ridicule. However, his scent for facts is uncanny. In "The Brass Check," he charges the press with being the mouthpiece of the Colossus. His charges are specific, definite, and detailed, and he throws out challenge after challenge to the journals which he attacks to prosecute him for libel. The present writer does not know of the challenge ever having been accepted. Among men prac-

[1] "Public Opinion and the Steel Strike of 1919," pp. 147 ff.

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ticed in the technic of research the book gives the impression of being factual.

Fifteen years ago the press used to protest vigorously against the abuses of the growing plutocracy. It would do almost any of us good to spend an afternoon in the library looking over the files of old magazines.[1] But such literature is rare today except in journals that are tabooed as "radical," "red" or "Bolshevistic," and which it is hardly good form for members of polite society to subscribe for. But this change in the tone of the press is not because Herod has desisted from his incest, but because John the Baptist has been cast into prison. Perhaps the most venal of all the sins of the Colossus is this prostitution of the press, because that poisons public opinion at its source, and so threatens the very existence of democracy itself. And we of the middle class are easy dupes of this propaganda. As a result we are staggering blindly into the abyss.

It is an old trick for the thief himself to raise the cry of "Stop Thief," and that is exactly what has happened in the present stringency. The press has raised a hue and cry on the trail of labor, and we of the middle class have all joined in the chase. Nothing is more usual than to hear the high cost of living blamed to labor. But the facts qualify the indictment. Professor Friday has shown[2] that the high prices went to

[1] Here are some of the titles: Payne—"The Cheat of Overcapitalization," in *Everybody's* for June, 1907; Edward Russell—"Where did you get it, gentlemen," *Everybody's,* December, 1907; Lincoln Steffens in *McClure's Magazine,* Jan., March, July and November, 1903, also his book, "The Shame of the Cities"; Ben B. Lindsey, "The Beast and the Jungle," *Everybody's,* Oct.-Dec., 1909; and various articles by Ray Stannard Baker, in the files of *McClure's,* from 1900-1904.

[2] "Profits, Wages, and Prices," Chapter VI.

profits, not to wages, up to about the middle of 1919. Only after that were they absorbed by labor. Even then the innings of labor, certainly of unskilled labor, was only for a little over a year. The Interchurch [1] showed that in 1919 unskilled workers in the manufacturing plants of the Steel Corporation were getting $100 less than the minimum of absolute physical necessities for a family of five; and the semi-skilled less than a "minimum of comfort" wage. During the spring of 1921 thousands of coal miners were locked out and were actually on the verge of starvation, and that in the face of the prices we paid for coal during the two winters of 1920-22. In August, 1921, the index number for unskilled labor in the coal [2] industry was reported as 136, and in the Steel Corporation 150, whereas the index number for the cost of living was estimated at 165; which means that unskilled wages in these two basic large-scale industries are declining faster than the cost of living. It is commonly reported that farm laborers are glad of a chance to work for their board. The army of the unemployed is at least twice its usual size. No, the press has deceived us, it is not labor of which we are the victims; it is the Colossus.

This is a sample of the damage that is done by misleading the public. The jury will not soon cure the social unrest so long as the culprit sits unsuspected behind the judge's bench, and the victim is in the prisoner's box. And it may be added incidentally that we have been quite as egregiously and disastrously misled with regard to the international situation, and doubt-

[1] "The Steel Strike of 1919," p. 94.
[2] *Literary Digest*, Nov. 26, 1921.

less by the same sinister influences behind the scenes, in both cases.

War and Armaments. It falls outside the scope of this book as originally planned to discuss the international situation and its bearing upon the social unrest, however fractional such an omission necessarily might leave the discussion, seeing there never can be social peace till there is assured international peace. But it may not be amiss to affirm that modern capitalism is one of the chief menaces to international peace. This is not a tenet of socialism merely; the fact is recognized by all competent orthodox students of economic affairs, and to some extent by the general public. It was the growing commercialism and the budding capitalism of ancient Rome that provoked the Punic Wars and finally "murdered" Carthage and Corinth. The same motive has always figured in causing wars; and it is active still, but organized on a vastly larger scale than ever before. Ambitious modern capitalism inherits the sinister function of the ambitious kings of earlier centuries, of setting the common people to fighting one another. Nationalistic chauvinism coöperated with ambitious kings and ambitious capitalists in laying the train for the late war.

Is there any reason to imagine that these selfish, reactionary and sinister influences were asleep during the Versailles Conference? Why doubt that European capitalism was an important factor in spoiling the Versailles Treaty? As for the debate here in America over the League, to the present writer it seems very clear that there were at least five reasons why the great American plutocracy had no use for a League of Nations:

1. International labor organizations were promised too influential a seat;

2. A protective tariff policy would be hard to maintain in the face of such an international federation—quite as hard as interstate tariffs in the face of our national federation;

3. The armament business[1] would be seriously jeopardized;

4. The Rio Grande would have to be respected as an international frontier; and

5. A Republican was to be preferred to a Democratic administration so far as the much desired change in the government's labor policy was concerned.

With the Colossus and its press opposing the League Mr. Wilson's "mistakes" were of course fatal. As a result, the jubilant, hopeful idealism that followed the armistice gave place to the dull heartache of disappointment among the peoples of the world. The foot of the Colossus is again upon our breasts, or more accurately, over our eyes. But have not we of the middle classes, in all civilized nations suffered enough at the hands of the war makers? Are we not even yet disillusioned as to who they are?

Charity. The causes of poverty are various and complicated. Among the rest there are mental deficiencies and defects of personality. Also, low wages and exploitation of labor by the Colossus are among the rest. If exploitation of labor were abolished, there would still have to be charity, to be sure, but not so much. Certain radical laborites oppose all charity and

[1] See the reference in the *Literary Digest* for Oct. 1, 1921, to the report of the Viviani Commission of the League of Nations on the Reduction of Armaments. It definitely charges armament firms with fomenting war.

make as much noise in public as they can to obstruct the collections of the associated charities. They are partly wrong in theory, and mostly wrong in policy.

But they are not alone. The following sentences are quoted from the *Atlantic Monthly* (Sept., 1921): "The status of the philanthropies during the war was a revelation like that made by a dazzling streak of lightning. During those momentous years there were high wages, prohibition, and plenty of work for every one. The demands on the charitable societies dropped fifty per cent and more. The poor and the sick seemed to be no more with us. The question forced itself upon us: 'Is it possible that the philanthropies have been on the wrong tack, that fair wages and decent living conditions are the bases of a sound civilization, and that the philanthropists are but poulticing a surface sore?' "

Nor is the theory new in orthodox social science. Practically the same principle is set forth in Warner's "American Charities";[1] and Warner is one of the standard authorities in this field. In the same book (p. 13) he points out that the English poor laws prior to 1834 "must have had an extraordinary effect in diminishing the rate of wages."[2] It is an interesting and significant historical fact that the repeal of the poor laws was but part of a reform movement that wrote a bill of industrial rights for labor into English law.

This aspect of charity is worthy of serious consideration. The inference is not that we of the middle class should withhold our contributions to charity. As

[1] See pp. 191, 192 of the 1908 edition.

[2] As per Ricardo's law. Whatever charity contributes to a bare subsistence income may be subtracted from wages.

society is now organized our cheerful charities must of course continue. But it is well for us to remind ourselves that, as society is now organized, perhaps half of whatever we give in charity may well be regarded as a contribution, not to the poor, but indirectly to the Colossus.

Materialism. Serious as are the grievances already discussed, perhaps they are not the most grievous of all. Worse than all else may well be the penetration of our souls by the materialistic ideals of the Colossus. We have an infectious disease here in America that renders real democracy well nigh impossible. Only two things are worse in their effects upon democracy, one is ignorance and the other is dishonesty. The disease is *aristocratitis.* How can we collectively be a democracy when individually we are bent above all things else upon outstripping our neighbors in material achievement and the envious display of luxurious consumption. Democracies are made of different relations; social progress, of achievement along other lines. But the disease is due to a germ, *bacillus aristocraticus,* of which the Colossus is the carrier. The wrong ideals of the middle class, one of the causes for their elimination, are themselves due in part at least to the influence of our modern, soulless, large-scale industry.

The materialism of the present age penetrates the innermost depths of our spiritual lives, producing a disastrous bewilderment in many minds as to what the values of life really are. Very many persons are seeking satisfaction in those interests which in the very nature of the case can never satisfy; while the really satisfying interests of life are often blindly

ignored. The following hymn expresses this confusion:

This age deceives us, Lord,[1]
  And leads our lives astray;
Its lures of pelf and pride
  Our restless hearts betray.
It scourges us with haste
  To win an envious prize;
Contentment, love and peace
  It bids us sacrifice.

The nations pity, Lord;
  How furiously they rage
For markets in the sun—
  The baubles of the age!
The rich exploit the poor,
  With greed insatiate,
Till class contends with class
  In envy, lust and hate.

Restore the joys, O Lord,
  That deeply satisfy,
That sharing each with all
  Can only multiply:—
A work of love and art,
  A shaded plot of sod,
The kiss of childish lips,
  And conscience right with God!

This bewilderment of aim is significantly illustrated in one of the most popular pieces of recent fiction, "Main Street," by Sinclair Lewis. The one thing this book lacks is clear insight as to what the satisfying experiences and interests of life really are. The author's poisonous cynicism and negative ethical philosophy caricatures middle class life in the typical American village. In refreshing contrast is Dorothy Canfield's "The Brimming Cup." With consummate art she displays the real values of life. Her typical, middle class characters glorify the common lot, because

[1] This hymn may be sung to the tune Jewett, from Weber's Freischütz Overture. The melody is in the tenor.

there is no confusion in their minds as to what those things are that make life really worth the living. This is an unusually wholesome piece of fiction, containing a message which middle class Americans very much need to hear and take to heart.

The excessive materialism of the age is a spiritual by-product of modern capitalism, which is short of regular type for setting up the word "$u¢¢e$$." But the age cannot permanently serve both democracy and the Colossus, for either it will love the one and hate the other or else it will hold to the one and despise the other. If we of the middle class are to be the salt of the earth, we cannot serve two masters; for the foundations of a new social order are spiritual.

These are the sins of the Colossus. They constitute the grievances of the middle class. Taken together they are polarizing modern society. The time when there will be no middle class in America will not come in our day, nor in our children's, nor yet perhaps in our grandchildren's. But come eventually it surely will unless these tendencies are corrected. The final grievance of the middle class will be extinction unless modern, large-scale, machinofacture capitalism is constrained to desist from its abuses.

CHAPTER IX

THE PARADOX OF THE MIDDLE CLASS SALVATION

NOT only are we—quite as much as labor—the victims of modern capitalism, but, conversely, such reforms as those outlined in Chapter X would benefit us in the long run no less than they would benefit labor itself. For, paradoxical as it may sound, we shall save ourselves in the long run only by saving the laboring class. No social class liveth unto itself alone. If we can raise the status of the masses by insisting that the great generals of modern industry turn over to labor a sufficient share in the profits to guarantee them a decent American standard of living and reasonable access to the good things of the cultural life, we shall thereby save room for ourselves upon the earth. But if we permit the laboring class in America to degenerate into a real "proletariat," we and our descendants will go under with them. If we can help labor to achieve a status satisfying to self-respecting American citizens, our own future will be assured with theirs, and the American type of middle class democracy will survive. But not otherwise!

Our stake in the lower class can be seen from many points of view. For instance, what does this rush to the high schools, colleges and universities mean? Fifty-eight per cent of the students in the University of Minnesota were supporting themselves in whole or in

large part last year. May this not mean, among other things, that ambitious young men of the lower class are trying as never before to crowd into our middle-class professions? The growing capitalization of land and the growth of capitalistic marketing are reducing the opportunities in agriculture for young men of small means. Chain stores, lines of elevators and lumber yards, mail-order houses, and other like capitalistic developments in the retail trade are hypothecating the chances in small business. But there are the professions and there are salaried positions with the meat trust, the oil trust, the lumber trust, or what not, for which educated men are preferred. And this may be one reason why the sons of laboring men and of recent immigrants are as never before crowding against the elbows of our own sons in the high schools, colleges and universities.

If labor were lifted to a new level—Farming has been lifted to a new level by applying science to it and utilizing machinery in it. The "man with the hoe" now sits erect on a motor-drawn riding plow, and applies physics, chemistry and biology to his work. Many other—perhaps most—lines of work can be lifted to a new level by applying science to them and utilizing machinery in them, and furnishing appropriate education in preparation for them. That would increase both their dignity and their productivity. And then if the trained worker were given a voice in the management and a decent share in the profits he would feel himself a fairly treated citizen of a real democracy. Expand the laborers' world to a status commensurate with the dignity and rights of typical American citi-

zens, and they will leave our middle class professions to our sons and grandsons. The way for us to hold a sphere open for our own sons is to open up an entirely new sphere and status in labor itself for the sons of labor.

Again: The world always has overlooked and still does overlook the advantages to be gained by developing the purchasing power of the masses. We talk about foreign markets, assuming that new and expanding foreign markets must be found if our industries are to expand to new and larger proportions. And to gain those foreign markets we are willing to brew international strife. But we blindly overlook the most obvious and accessible new market: namely, the undeveloped purchasing power of the poor. If the millions who now subsist on a bare subsistence level were suddenly to buy the additional goods and services that they need for a decent American standard of living, their new demands would stimulate American business like the sudden war demands of 1914. It cannot be done suddenly, of course, but it can be done gradually; and for American trade gradually to develop that market would perhaps create more business in the long run than to develop a trade with Russia and with China both. And it would come directly home to our middle class occupations. Let almost any reader figure out the probable increase of his own earnings as a result of the laboring people with whom he deals enjoying the kind of an income that he himself would consider necessary. The doctor would make more money if the poor he treats were comfortably well-to-do; the merchant would sell more goods if the poor he sells to

could buy more and pay more promptly; the banker could show larger dividends and surplus if his savings accounts grew faster; and so on throughout the list of us middle class people who do business with the sixty-five per cent whom King puts in the propertyless class.

Of course you cannot make something out of nothing. It is not chiefly by a better distribution of wealth, but by a better conservation, a more efficient production and a wiser consumption, that the purchasing power of the poor can be increased. By better education of the masses, by improved vocational training, by increased technical skill, the productive power of the masses can be very greatly increased. So can it be increased also by a reorganization of industry that will restore the motive for work. The increased purchasing power of the poor need come out of no others' share, therefore; certainly not out of ours. Strange how the old superstition persists that the prosperity of some of us is dependent upon the poverty of the rest of us! Sociologists are now coming to see clearly that the exact opposite is true, namely: that no class can be permanently prosperous unless all classes are prosperous. How destitute we are of imagination; and how hypnotized by things-as-they-are.

Once more: We have been exhorted a good deal of late to raise larger families. But in much of this talk about race suicide the cart has been put before the horse. As a matter of fact, a lowered birth rate goes with a higher civilization. If we of the native white stock are a declining percentage of the population, it is not because our birth rate is too low but because it is *relatively* too low. The way to hold our own is not to raise more children, but to induce the lower classes

to raise fewer children.[1] And the formula for that is well known to all economists and sociologists, namely: raise their standard of living. Restrict immigration, and arbitrate labor disputes in favor of wages adequate to decent, wholesome American living, and race suicide will take care of itself. The birth rate of the laboring class and of the foreign born will automatically decline, and our ratio will be restored.

The fact is, we of the middle class have an entirely false social creed in the backs of our heads. We believe in a society in which everybody is faced in the same direction, namely, toward the prizes at the top, and in which everybody is trying to outdistance everybody else and reach the prizes first. That is what political and social philosophers call an individualistic philosophy, and which they now recognize the nineteenth century to have badly overdone. It is what the common run of us have had bred into the bone till we suppose it to be the very inherent constitution of the universe. We mouth it off as the last word of the argument.

As a matter of fact it is the grand illusion of the age. It squarely contradicts the plain teachings of Jesus. And when one thinks about the ideals and aspirations of democracy, and then thinks about this individualistic philosophy with its implications (e. g., that a very considerable supply of cheap—i. e., ignorant, poverty-stricken—labor is necessary to the success of industry), and then thinks about them both together, he sees clearly that we must eventually abandon either

[1] See "Controlled Fecundity," by Professor E. A. Ross, in *The New Republic* for January 25, 1922. A paper read at the Pittsburgh, 1921, meeting of the American Sociological Society.

the one or the other. The ideals of democracy and this individualistic philosophy are utterly contradictory and incompatible. Unless we are ready to renounce the hope of working out a just democracy, we must have the courage frankly to abandon this every-fellow-for-himself individualism that has dominated the thought of the last century.

We need an entirely new notion of what a rational society is. Not the prizes at the top but the welfare at the bottom, is the criterion for a democracy. Not chances for a few poor boys to rise out of their class, but a chance for the whole class to rise bodily out of its status of poverty and ignorance: that is the new idea! A decent, wholesome standard of living for every American family, and a satisfying share in the cultural life; that is a reasonable society.

Pestalozzi, the Swiss educational reformer of a century or more ago, set forth an extremely suggestive parable that is both interesting and pertinent in this connection. He said that once upon a time there was a certain pond inhabited mostly by minnows. It was ruled over, however, by a small school of pike, who fed upon the minnows. Having endured their injustices for a long time the minnows called a meeting of protest. As a result of this meeting, a committee was sent to the headquarters of the pike to demand a redress of grievances. The old pike at the head of the small school received the committee of minnows graciously, listened to them courteously, and appointed a day in the future when they should return to hear the decision of the pike after due deliberation. Upon the appointed day the committee returned and received the answer of the pike as follows: that thereafter one minnow out

of a thousand might himself become a pike! The minnows gratefully accepted this wise and generous offer.

The nineteenth century put its faith in increased production as a sufficient means of economic and social salvation. Increased and ever increasing production: faith in this economic gospel amounted almost to a fanatical obsession. But it is a one-sided gospel. Taken alone it only postpones and aggravates the social problem. It is high time that we supplemented it with a new creed. Social salvation, like personal salvation, is to be had through faith in a paradox: to raise the standard of living of the lower class. That is the objective which we must aim at directly. It sounds like advising one to lift himself by his boot straps; but self-contradictory as it sounds, it will work.

Let us consider some of the benefits that will accrue from driving a wedge under the standards of wage earners.

First: it is a necessary eugenic measure. The lower the standard the higher the birthrate, and conversely. The lower classes are breeding faster than the upper classes. Assuming, as is safe, that the poor have a larger percentage of poor brains, this means that the poor stock is outbreeding the best stock. Where that will lead to is plain enough. The way out is not to scold the prosperous classes about race suicide. That will have no effect. The way out is to reduce the birthrate of the poor; and the only thing that will accomplish that is to raise their standard of living for them.

Second: part of a higher standard of living for the poor is more education. Raise their standard of living

and they will stay longer in school. That will give society a chance to train them for citizenship—teach them civics. Without such training the masses will foment and vote for wild-cat reforms of all sorts. The salvation of political democracy depends upon an enlightened citizenry; but enlightenment is not for a poverty stricken laboring class. We must raise their standard of living for them.

Third: there can hardly be a wholesome we-feeling between the very poor and the prosperous. If we are to have social homogeneity—and have it we must, or perish—we must raise the standards of the poor. Bolshevism breeds among the miserable.

Fourth: as has already been pointed out, the way to expand American markets is to increase the purchasing power of our own poor. It is amazing that business men are so "hypnotized by the present reality" that they have overlooked this "acre of diamonds."

Fifth: the real secret of increasing production is to raise the standard of living of the poor. We have had the motor on the trailer. Raise the incomes of the poor first; then increased production will follow. There are many reasons why this is so, but the chief reason is that a high standard, once enjoyed, is the greatest motive force in the world. It makes people ambitious. This is not theory but history. People with high standards get the vocational training and equipment to maintain them. A technically trained laboring class is a certainty, once their standards of living have been raised. And a technically trained laboring class means highly productive industries.

Sixth: there is a suspicion that the low standards of the poor may be among the causes for our periodical

business depressions. We are accustomed to say that they are due to over production. Under consumption means practically the same thing, does it not? Economists tell us there is no limit to human wants. But there is a very definite limit to what the poor *can* buy. And there is just as definite a limit to what the rich *do* buy. What is the range of their wants? Luxuries, to be sure; but in limited amounts. Their want to which there is no limit is the excitement, the success, and the resultant power of the industrial game itself. Hence their settled policy of turning as large a proportion as possible of the products of industry back into "production goods." There the surplus produces more and more of what the market presently begins to get glutted with. The culmination eventually is a business depression. Peter Buyer has been robbed to over pay Paul Producer; his revenge is that he cannot buy the product.

If there is any soundness in this line of reasoning it follows that to consume a somewhat larger proportion of the product of industry, and to turn a somewhat smaller proportion back into the business, would render business depressions less frequent. The obvious way to do that is to raise the standard of living of the poor, by spreading their consumption out over a wider arc of their needs.

The combined effect of these six benefits would be nothing short of revolutionary. In such a world as they would make, the middle class would be safe and happy.

The unappreciated greatness of Malthus and Ricardo was referred to in a previous chapter. It lay chiefly in the fact that they saw the truth just expounded, and

set it forth so early before an incredulous, visionless age. The "foresight and prudence" in limiting the size of their families, that comes to people with culture and prosperity, was Malthus' "preventive check." "The friends of humanity cannot but wish," wrote Ricardo, "that in all countries the labouring classes should have a taste for comforts and enjoyments, and that they should be stimulated by all legal means in their exertions to procure them. . . . In those countries where the labouring classes have the fewest wants, and are contented with the cheapest food, the people are exposed to the greatest vicissitudes and miseries."

These are the formulas by which humanity can escape the perennial ruthlessness of the struggle for existence; but without their application there will never be any escape, except temporarily during exceptional periods like the nineteenth century. It is in this insight that the greatness of these great thinkers inheres.

We need, therefore, a radically revolutionized program for ourselves and for our sons; a program that calls for quite as much coöperative attention to the masses below us as individual attention to the prizes above us. By such a program we shall not be dragged down to the level of the masses, as we vaguely fear; but the level of ourselves and of them will all be raised together. To believe this and to act accordingly is the supreme act of Christian faith. The class that seeketh its own life shall lose it, but the class that giveth its life to the cause of social justice for all, the same shall find it. As soon as the middle class of this nation becomes Christian enough to believe that, the social unrest will be at an end. For pagans there is no peace!

It is quite surprising how generally we have inherited

this every-fellow-for-himself philosophy without examining its teeth. In reality, it is quite as much out of date as poor old Dobbin himself, and for similar reasons. It applied well enough to the world of small shops and plenty-of-land-out-west, before the Civil War; but it does not apply to the world of colossal industrial plants, and billion-dollar corporations. And yet middle class gentlemen, who would be chagrined to ride around in a top-buggy, are unashamed to ride around in a social philosophy contemporaneous with the deacon's wonderful "one-hoss" chaise.

But let us take a look at the facts. According to King,[1] the distribution of incomes in 1910 was as follows:

38.92%	of	the	families	have	incomes	of	less	than	$700
51.54%	"	"	"	"	"	"	"	"	800
75.96%	"	"	"	"	"	"	"	"	1,100
90.31%	"	"	"	"	"	"	"	"	1,500
98.39%	"	"	"	"	"	"	"	"	4,000

To compare King's estimates, with estimates for 1918, let us take the figures given on page 69, select the percentages most nearly corresponding to those just above, and divide the incomes listed by two, since the cost of living was approximately twice as high in 1918 as in 1910, as will be seen by reference to any good table of index numbers. We get the following:

			1918	*1910 (Approximately)*
86%	of the people got incomes of less than		$2000;	$1000
90%	of the people got incomes of less than		2400;	1200
99%	of the people got incomes of less than		8000;	4000

[1] "Wealth and Income of the People of the United States," p. 228: cf. p. 68 above.

What now do these figures mean? They mean that fewer than two young men in a hundred can hope to achieve an income of $4,000 (or the 1922 equivalent). Not two girls in a hundred can hope to marry that sort of an income. The other ninety-eight are foredoomed to disappointment. And when one considers that the two per cent who will actually enjoy the $4,000 incomes will be chiefly those who inherit rather than achieve them, it begins to appear how hopeless is the struggle of the middle class to get into the upper two per cent. We on the bases are *not* going to bat! At any rate, not enough of us to make the struggle worth while. We have been assuming that we were going to because we have been accepting an old theory instead of examining the new facts. The plain facts suggest that this every-fellow-for-himself game is not likely to get us anywhere, after all.

There is a special group of middle class persons who are the special victims of the illusion just discussed. They are the spinsters. In the *Atlantic Monthly* for February, 1922, one of this group frankly admits, with tears in her voice, that she wants a husband, a kitchen and children. She implies that nearly all would make the same admission if they were equally frank. Let us assume that they would; the fact is, nevertheless, that most of them are doomed to disappointment.

But one never sees nor hears a hint that these women ever look beneath the surface of individual circumstances, into the complex of economic forces, for the cause of their heartache. Women can see that war robs them of husbands and thwarts their instinctive desire for babies; they recognize that intemperance ruins their men and handicaps their children; but they

seem utterly incapable of discerning that involuntary celibacy and childlessness are being forced upon them by the ruthless exploitation of the Colossus.

These women are among the best of their class: capable, independent and proud. Many are even fastidious! By their own earnings they easily maintain themselves on a high, middle class standard of living. Men in the 84 per cent are naturally somewhat overawed, and a little doubtful of their eligibility. As for common laborers——!

Unless a man is in the upper 5 per cent his income is hardly a talking point.

There are men enough to go around; but the wifeless and homeless are notoriously jobless. Them, these high-grade spinsters do not want, of course. But even of them, not all by any means are biologically unfit. Many a woman has agonized to bring into the world a perfectly promising man child, only to have him spoiled before adulthood by the grip of the Colossus. Whereupon some other woman's girl child goes loveless, lonely and childless through life.

The Colossus has a preference for women as employees—they work cheaper than men! In 1910 there were 23 per cent of women gainfully employed, as against 14 per cent in 1890. The increasing competition of women must have some effect upon the wages and unemployment of men. This new economic independence which women are demanding, and which modern, large scale industry is granting them with such alacrity, what is it doing to them when they get it?

The remedy is to push the 84 per cent down toward 50 per cent, encourage the organized, skilled trades in their efforts to better themselves, and create a public

demand that common labor be accorded a decent American standard of living. Said Ibsen: "If I were God I would have pity on the hearts of men." If there is to be pity on the hearts of women in subsequent generations it will come only as women of this generation work *collectively* for the emancipation of men from industrial exploitation.

The facts are that this ambitious struggle of ours to get somewhere is in reality a desperate and too often a losing struggle merely to hold our own—"and the devil take the hindermost." Nor must we forget that the percentages in each class are fixed by the rules of the game. The only way we can create extra room for ourselves is by changing the rules. There is far more probability that the brightest and most capable in the class just below us will crowd us out, than that we shall crowd out somebody higher up. This is the meaning of the terrible strain of middle-class existence, of which we are all so conscious, and which shows up statistically in the declining percentage of middle class wealth and of native white birth rate. And to the strain of the fight is added the strain of camouflaging our actual defeat. That is what "keeping up appearances" really means: the expensive pretense of having arrived where we expect to arrive presently, but in reality never shall. The strain of this pretense is squandering our resources and restricting our birth rate.

We of the middle class have been deceiving ourselves with regard to the whole program of success and the probability of achieving the prizes at the top. We look at the "captains of industry" on the upper rungs

of the ladder and imagine that by industry and brains we can achieve like positions. But the dice are loaded against us! It can be demonstrated mathematically that only one in fifty can be in the richest two per cent, and they are not likely to be our sons but the sons of those already there. Of the other forty-nine per cent a considerable proportion are liable to be scattered as wreckage along the road. That is predestined. If we play our cards to be upper class or nothing, we take a long chance that it will be nothing. That is one way to express the disintegration of the middle class.

The trouble is that we regard those few big prizes as legitimate prizes and the game as a legitimate game. There is nothing legitimate about the prizes, nor the game, either. Competitive prizes are being abandoned in modern public education as poor pedagogy because they fail to motivate the great majority. Only one can get the prize, only a few have any prospect of getting it, the fact is well understood by all the pupils from the outset, the majority make no effort, and the winner is liable to be made a prig. The principle applies outside of school as well. We do not want great American Beauty[1] roses that are matured only by snipping off all the other buds. The buds mean our own sons. We ought to have a game in which every normal person, if he really tries, can be reasonably sure of winning a worthy reward, instead of a game in which the percentage of waste is bound to be so great. Many of our own sons are the predestined victims of the game

[1] The allusion is to a remark in John D. Rockefeller, Jr.'s, graduating oration at Brown University some twenty odd years ago, against which, at the time, there was a storm of middle class resentment.

as it is now played. We should quit holding up multi-millionaires as objects of their hero worship, and set ourselves to the business of making the world over so that there can scarcely be any multi-millionaires at all, and scarcely any class at all subsisting below a level of decent comfort and wholesome culture commensurate with their mentality. We ourselves in the long run would be the chief beneficiaries of such a readjustment. A Christian world is better for us than a pagan!

A word further about these individualistic theories of the nineteenth century, and especially about some of their implications. We are all as confident as phonographs about many things that are only half true. We believe that it is necessary and inevitable that laborers be poor; that need, or the hope of wealth, are the only incentives that will induce men to work; that high wages would ruin our industries in the competitive markets of the world; that luxuries are inherently proper for the rich, but anything more than bare necessities inherently absurd for the laboring class; that the high cost of living is due chiefly to the unwarranted demands of labor; that the poor are squalid because they expend their incomes unwisely; that labor is scarce, immigration necessary, and unemployment due to unemployability; that stock jugglery is legitimate business; that making money is the same as production; that "unearned increment" is really earned by clever foresight; that great wealth is, fortunately for the community, in the hands of demonstrated ability to handle it; that merit finds its level; etc., etc., etc. We contend for all these half-truths as valiantly as the southern crackers fought for the slave system, as the German peasants bled to win for their Junkers "a place

in the sun," and as the French youth followed Napoleon into Egypt and Russia. But we ourselves are the dupes of the fallacies involved in these pernicious half truths which our "Napoleons of finance" so sedulously promulgate.

That the middle class itself is the victim of unrestrained capitalism, and of the individualistic theories with which it drugs its victims, the socialists have clearly seen for half a century. But they do not expect us ever to open our eyes to the facts. They expect us to grope on, as blind as we now are, till the crack of doom, which, in their creed, is the dawn of their alleged Utopia. But there is an easy way to disappoint them: namely, to promote the economic reforms advocated in Chapters XI and XII, supplemented by the spiritual advances suggested in the remaining chapters of this book. That will take the wind all out of the sails of socialism, and save a generous place in the world for our own grandsons and great-grandsons.

Let us conclude this chapter with a restatement, in somewhat different form, of the proposition with which we began it, namely: ultimate social salvation for us of the middle class will be achieved by uniting with the classes below us in achieving a mutual salvation in which all may share. It has always been the device of autocracy to divide the people and overwhelm the factions one at a time, usually by an alliance with the others. Read again the story of Metternich and the collapse of democratic aspirations in central Europe under the wheels of the Hapsburg-Hohenzollern-Romanoff combination. The perennial strategy was to keep popular factions divided. Always divided! Always the people could see the cost of going into

an alliance, but seldom the cost of staying out. It will be the same with us of the middle class and our natural allies of the laboring class. In union there is salvation for both; not otherwise.

In this connection the following quotation (p. 19) from "The Control of the Trusts," by the Clarks, is quite suggestive:

"Some laborers are at times attached to trusts by momentary and precarious interests. They hope that, if the companies exact high prices from the purchasing public, they can be made to share benefits with their workmen; and a really dangerous trust that has public opinion strongly against it may form an alliance with its workmen, against the public at large. 'Give us high wages and charge them to the public with a profit for yourselves,' is the demand made by these laborers. That an alliance so made will last is not at all sure. While the battle with the people is going on the corporations do not want a fire in the rear; but if they win the larger conflict, it may not be necessary for the companies to bid for laborers' support; and in that case employees of the trust as well as the great remainder of the working class will be injured by these considerations. The people at large are and certainly will continue to be injured."

The reports of the Interchurch World Movement show that the tactics of the steel trust are the converse of this. The strategy has been to crush labor first under the weight of an adverse public opinion. This is apparently the purpose of the vigorous anti-labor propaganda that has been carried on through the press during the last few years. And to date it has been relatively successful; we have all joined in the hue and

cry against labor, like a crowd of easily gullible dupes. While the battle with labor is going on the corporations do not want a fire in the rear; but if they win the lesser conflict, it may not be necessary for the companies to bid for the public's support; and in that case the consumers of their products and the general public will be injured by these considerations.

If the conclusions set forth in Chapter VIII are sound—that the polarization of society is tending to eliminate the middle class—then it follows that to an alliance with labor we are predestined by the decrees of fate, either voluntarily or by force of circumstances over which we shall have lost control. If we of the middle class volunteer promptly enough in an unselfish but far-sighted effort to lift labor to a creditable American level, then the alliance will be our alliance, under our leadership, according to our program, and beneath our flag. But if we wait until we have been shaken through the sieve into the "proletariat," then the flag will be red, the leaders radical, and the program "Bolshevistic."

There is a certain type of mind that can count as high as two, but a third alternative presents altogether too complicated a situation for its imagination to grasp. This type of mind brands everybody socialist with violent emotion, who finds any faults with capitalism, or else betakes itself to radical socialism as soon as it begins to get a little inkling of the abuses of modern capitalism. This type of mind is either rabid radical or rank reactionary: orderly social progress, based on scientific reforms and cultural advancement, is a third alternative quite beyond its purview. But we of the middle class must all learn to count three: plutocracy,

dictatorship of the "proletariat," or real, middle-class American democracy—take your choice. But take it quick or it may take you! For sixty-five per cent of the voters are already "proletarian," except that fortunately they lack as yet the state of mind.

CHAPTER X

THE NEW RIGHTS OF THE PUBLIC

THERE is evidence that the middle class is gradually becoming aware of the grievances of which they are the innocent victims. Incoherent and inarticulate as their class consciousness is as yet, there are indications, nevertheless, that such a class consciousness is slowly crystalizing. These evidences are found chiefly in the gradually developing awareness on the part of the neutral public that it has rights which are being invaded by the conflict between capital and labor. These newly asserted rights of the public are extremely significant to the present argument. They show that the middle class—who make up the major portion of the public—are spontaneously arousing themselves to the very program to which they are exhorted in this book, albeit too unintelligently to get results.

Perhaps the most significant aspect of this new awareness of rights is the new attitude of the public toward the labor-capital controversy. As a result we appear to be entering upon an entirely new phase of that controversy. Hitherto it has been a struggle between two factions of our people. The general public, until recently, has played the part of neutral, disinterested onlookers. The assumption back of the public's attitude has been that the controversy was

unfortunate for the belligerents, and a disgrace to a Christian civilization; but, farther than that, a matter of practical indifference.

But that attitude is decidedly changing. We are beginning to discover that the public is the victim. A free-for-all fight cannot go on in the streets of a crowded city without innocent bystanders getting hit with brick-bats and bullets; and if a strike or a lockout occurs in the industries of a complex society the consumer is always sure to get the worst of it, no matter which party wins. If there is a strike in the coal mines the price of coal goes up or there is a coal famine; if the factories of the wool trust are locked the price of clothing stays up. The public always stands to lose.

The public is beginning to assert its right to self-protection. This principle was brought forcibly to the attention of the public in the fall of 1919, when the Boston policemen went on strike. The strike turned the streets of Boston over to the criminal element, lawlessness was unrestrained, and the public suffered. The reaction of government and public opinion was prompt, vigorous and decisive. The policemen were discharged instanter, and order restored. The whole country was electrified over the incident; Governor Coolidge came out of it a national hero, and the precedent was established for good and all that policemen may not strike. Which means, of course, that the public has rights that it does not propose to have jeopardized by any policemen's quibble over wages.

For the past three or four years a very active, and at times bitter, debate has been going on among public school teachers over the question of teachers' unions. A considerable element in the profession advocates

unionizing under the American Federation of Labor. They point to the low wages of teachers, insisting that unionization is their only means of self-protection; and they enumerate instances in which teachers, having appealed patiently to public opinion without attracting much attention, have got results immediately by the use of an organized strike. But the leaders of the profession are, almost without exception, opposed to teachers' unions. The reasons they give are not always good ones; too often they are nothing more than ignorant expressions of the popular prejudice against organized labor. But back of the educators' bad reasons is a perfectly sound intuition, namely: that teachers are public servants, that their service is of prime importance to the public welfare; and that teachers have no more right to go on strike than policemen have, and for similar reasons. The case, so far as teachers are concerned, is really this: They, above all others, are the public servants whose business it is to give the rising generation the facts; the facts about various things, including history and the present social situation; the plain, unbiased facts! On the basis of their knowledge of facts the rising generation will come to maturity prepared to arbitrate issues and solve problems. Should the school fail to perform this vital function for democracy, democracy itself will be imperiled. But the moment teachers take sides on the labor-capital controversy—the most vital struggle of the age—that moment they lose their power to perform their function. They lose the confidence of the public and of the children, and they lose also their own ability to seek the facts without bias. The plain, unbiased facts of social science are the last things in the world,

it is true, that certain sinister influences want taught in the schools. Those sinister interests are almost certain to make a struggle for the control of public instruction, and the public should be on the alert lest the freedom of instruction be invaded by them. But meantime the public owes its gratitude to the leaders of the teaching profession for the firm stand they have just taken against teachers' unions. The profession has wagered its faith in public opinion; public opinion should show itself worthy of that faith.

The public has developed a tendency recently to regard coal-mining also as a service to the public, like teaching and police protection. The public cannot get along without coal; a coal famine in winter is intolerable; nor is the public willing to submit to unreasonable prices when they result from a strike. The general public seemed heartily to approve the action of the Attorney General, during the spring of 1920, in the use of injunctions to break the coal strike. There are some things to be said in criticism both of the public and the Attorney General—they will be said later—but the point here is that the public was quite unwilling to be victimized by a coal strike; and took, through the government, new and unprecedented measures to protect its rights.

It was in connection with a strike in the coal mines that a new compulsory arbitration law was passed in Kansas, which has since attracted national attention and much bitter debate because of the new principle involved in it. The thing to get clearly in mind is the new principle, namely: the right of the middle class public to be protected from the consequences of the labor-capital controversy.

The same attitude on the part of the public is represented in the ruthlessness with which the steel strike was suppressed in the fall of 1919, and in the Cummins-Esch law of the following February, which provides for compulsory arbitration in the railroad business. Apparently the public regards coal, steel and railroad service quite as indispensable to the general welfare as teaching and police protection.

It was illustrated in a way during the summer of 1920, when the wool trust shut down its mills so as to curtail production. The public saw that capital as well as labor can be guilty of sabotage; and numerous journals raised the question whether an industry has the right to throw workers out of employment and mulct the public with high prices by restricting production. This was a new attitude on the part of the public toward private business. In essence it was the same as the public's attitude toward the striking policemen.

Now let us observe that in all this new attitude toward strikes and lockouts there is simply being applied to labor disputes an old principle that has long been recognized in law, namely: that there are certain businesses that are "affected with a public interest." The railroad business is the outstanding example. Rebates and discriminations figured conspicuously in the early history of the trust movement—Rockefeller built up Standard Oil by securing rate discriminations against his competitors. The Granger legislation of the 'seventies and 'eighties grew out of the bitter feeling of the farmers that freight rates were being juggled to their disadvantage. Serious sectional animosities were developed during the last quarter of the century

because cities and localities felt that they were being discriminated against by the railroads. Finally it became clear that there was an inherent difference between the railroad business and most other lines of business: the railroad is at the center, while all other businesses are around the circumference; all businesses have to use the railroads as they do not have to use each other; the success of every business depends upon the service it can get from the railroads; fair competition is impossible unless railroad service is impartial. The railroads are "affected with a public interest." As soon as this principle became clear the public, through the state, took upon itself the responsibility of regulating freight and passenger rates in the interests of the general public. The Interstate Commerce Commission was created to perform this function.

Many other lines of business are "affected with a public interest" also, and are therefore subject to regulation by law. All the public service utilities of our cities are examples. "Innkeepers" are treated by the courts as public servants, stock jugglery is being regulated by law in many states, and an attempt was recently made in Berkeley to have milk declared a public utility.

The "police power of the state" (which means the authority of government to pass laws for the general good) has been growing.[1] Government control over the nation's resources in land, timber, water-power and mines, the Mann Act, the Food and Drug Act, prohibition, the tendency toward government ownership not only of public service utilities, etc., but of ferries, theatres, markets, coal yards, etc., price fixing, all forms

[1] See A. J. Todd's "The Scientific Spirit in Social Work," Chapter II.

of labor legislation and social insurance, the public supervision of sickness and disease—all these forms of legislation, new during the last generation or two, and sanctioned by the courts, indicate a growing tendency on the part of the public to assert its rights, as opposed to the special privileges of any special class.

This is really an ancient principle of the English common law. "The ancient 'Year Books,' which contain the earliest record of court decisions in England, reveal to us that some centuries ago business was generally regarded of public interest. The 'Common farrier' must shoe any horse brought to him; the 'common mill' must grind everybody's grain, the 'common shaver' must barber every one." [1]

We have just come through a century and a quarter of extremely individualistic philosophy in the fields of industry and government. Competition was supposed to be the automatic regulator of almost everything. The let-alone policy of government was regarded as the sum of all wisdom. It was assumed that every normal adult had more interest in his own welfare than any "paternalistic" government could possibly have. The best guarantee of happiness any government could give a man was, therefore, to let him alone, so long as he did not interfere with other people's rights. And so it seemed to follow obviously that the happiest people were those among whom everybody was looking out for number one. But the fallacy of that theory is now becoming apparent. We are beginning to recognize the solidarity of society: that no man liveth unto himself, and that happiness is a coöperative enterprise. In the field of industry we discovered that some businesses

[1] See Louis Bartlett in *Atlantic Monthly,* Sept., 1920.

were "affected with a public interest"; then we found that other businesses were, too; presently we shall realize that there are no businesses that are not. "W'at has the government got wit' dat to do, anyhow?" remarked the owner of a threshing rig in the wheat belt, as he cast a hasty glance at the regulations tacked on his machine at the opening of the season of 1918. That is the old attitude; but it is passing away. The truth is that the farms were made for the public, not the public for the farms; and what is true of the farms is true of all the industries.

And now, without clearly reasoned insight, but with vehement, outraged impulse, the public is applying the same principle to industrial war. It, too, is "affected with a public interest." Slowly, during a century and a quarter, English and American labor has built up the right to organize, and to use the strike as a means of aggressive self defense. Now, all of a sudden, the public seems about to reach out its hand and snatch that weapon away. Apparently we have entered upon a new stage of the labor movement in which the strike is to be outlawed. It is really, if we only knew it, the sudden coming to self consciousness of the great middle class. Tired of the conflict between "proletariat" at its left and capital at its right, the middle class is commanding peace, and asserting its prerogative to arbitrate.

But in so doing the middle class is assuming a very grave and dangerous responsibility indeed, and is assuming the risk of precipitating the very class war which it is so impulsively undertaking to suppress. For nothing is ever settled till it is settled right; and unless the public is prepared to hand down an award

that is just, the fat will surely be in the fire. In its new attitude toward strikes the public must do something far more than merely to indulge its blind impulse for self defense; it is putting itself under bonds to mete out justice as between the two contestants, capital and labor. Mr. Gompers insists that the right to strike is labor's only weapon, and to decree its use illegal—after the hard won precedents of a century—is to drive the whole laboring class into crime. Governor Allen, on the other hand, insists that the rights of the whole people supersede the rights of any part of the people. Both are right: the fallacy of each is in failure to see the other's point of view. Senator Cummins said, in reporting his bill out of the committee: "In making the strike unlawful it is obvious that there must be something given to the workers in exchange for it." If labor's only weapon is to be snatched out of its hand, then justice must be guaranteed in recompense. If arbitration is to be compulsory, it must be just; otherwise there is no exchange—only tyranny. So, in recognizing the fact that we are entering upon a new stage in the labor-capital controversy, let us not for a moment flatter ourselves into the assurance that it is certain to be a better stage. It is just as likely to be one stage nearer the deluge. For "if the power of government is to be used to check the rising aspirations of working men, if strikes for improved conditions are to be treated like revolutions, the results must be apparent to every thinking man. The hand of every syndicalist and of every anarchist will be strengthened by such a move. If political weapons are to be used against industrial, just so surely will industrial weapons

be used against political. The general strike for industrial objectives has already made its appearance in this country, to the alarm of the public and to the dismay of (conservative) union leaders everywhere. The general strike for political objectives would be revolution." [1]

This prediction will undoubtedly come true unless the public demonstrates its ability to arbitrate justly. Everything depends upon the intelligence of the middle class regarding the issues it is undertaking to arbitrate. And the truth is that the middle class shows very little evidence of intelligent comprehension of what is at stake between the contestants. The whole question is whether labor has a real or an imaginary grievance. If the interpretation of the case set forth in previous chapters is correct, then the labor movement "is not the menacing thing that timid souls fear. . . . It is a vast surging forward of men and women with their eyes fixed on a better day. . . . It is a movement in which the finest instincts of man are seeking expression . . . in an effort, through hardship and struggle, to establish a society where want and misery shall be no more." [2] It is a struggle of the disfranchised masses against vested privilege, for the elemental but as yet unrecognized rights of man. Slowly it has been gaining ground for a century. Its gains have been written into English and American law, constitutions and court decisions. Labor is engaged in a century-long struggle for the justice that has never been as yet, and that

[1] John A. Fitch, in *The American Labor Legislation Review*, March, 1920.

[2] See the same article as above, p. 67.

justice is nothing less than industrial enfranchisement and a wholesome American standard of living. If the public understands that and arbitrates accordingly, then the Kansas principle will prove the solution of our problem so far as labor disputes are concerned; but if the public continues to believe that workers are and of right ought to be poverty stricken, and that investors are and of right ought to be permitted to "run their own business," then the Kansas principle will only precipitate industrial war.

If we are to judge by the attitude of public opinion for a year after the Armistice, there is very little ground for hope. Never since the tide of abolition sentiment beat against the slave holding aristocracy of the old South has there been such a display of truculent intolerance. Scarcely ever has the middle class shown its capacity for being deceived to greater discredit. As soon after the Civil War as Grant's first administration, a policy of reaction set in, which was managed by and for the "infant industries" behind the scenes. The public was not aware of the fact then, and only penetrating students of our history are aware of it to this day. There are abundant indications that a similar policy, in the interests of the invisible plutocracy, may characterize the present after-war reaction.

The public was diligently misled about labor conditions in the steel and coal industries, and it believed the misrepresentations.[1] The steel trust still maintains its twelve-hour shift in spite of the protest of the Federated Council of Churches,[2] vigorously represses labor organizations, and underpays unskilled labor. The

[1] See *American Labor Legislation Review*, March, 1920, p. 62.
[2] See *American Journal of Sociology*, May, 1920, p. 769.

Interchurch World Movement Survey[1] showed that up. During the strike, and even before, the right of assembly was rigorously repressed by mayors and burgesses who were also officers of the steel companies. As for the coal industry: "The government knew that in coal mining there is not enough work to go around. It knew that unemployment is so common and so protracted that the miners have great difficulty making a living, even when the wage rate is high. If the government did not know it the Geological Survey did, and so did the Department of Labor." And yet public sentiment was almost wholly against labor at the time of the 1920 strike. This ignorance and gullibility of the middle class is dangerous, and it is their bounden duty to correct it, especially now that public opinion and law are assuming the responsibility for arbitrating labor disputes.

Who, with any vital faith in the ideals of democracy and Christianity, can really doubt that man, having conquered nature, will eventually find a way to adjust business and the world's work to the real, inherent, universal needs of human nature? As a matter of fact, universal human welfare is inimical to nothing except class privilege and exploitation. And if eventually, why not now? Simply because we think it impossible; just as we thought prohibition impossible a generation ago, and just as our forefathers a hundred years ago would have thought free, universal public education impossible and absurd. But if a single generation of the American middle class could all have

[1] Every church member in America ought to read the two reports of the Interchurch World Movement on the steel strike of 1919 and subsequent conditions in the steel industry. They are published by Harcourt, Brace and Co., New York.

faith to believe that a decent standard of living for workers is both practicable and desirable, it would come to pass within twenty-five years. Whereupon we should have industrial peace. It is only as public opinion sanctions these rights of the masses, that the public will succeed in maintaining its own rights, for there can be no peace for any of us except on the basis of justice to all of us.

CHAPTER XI

THE FRONTIERS OF DEMOCRACY

IT would be agreed by practically all scientific students of the labor problem that we do need a readjustment of the relations between capital and labor, especially in large-scale industry. In this connection it is desirable to see clearly what the fundamental aims of reform in this field are, because details are very confusing unless they are understood in relation to the main issue. What sense is there, for instance, in the plumber refusing to connect the gas range; or what justice is there in the musicians' union trying to break up a famous symphony orchestra because the orchestra must play occasionally for a municipality that employs a non-union band. Lost among the trees of such details, it is easy to lose sight of the woods as a whole, and so fail utterly to grasp the fundamental issues of the labor-capital controversy.

As we look back over the struggle for political democracy during the last five hundred years, the fundamental aims of that struggle stand out in relief like the Rocky Mountains as one approaches them across the plains of eastern Colorado. The common people were seeking political enfranchisement. As the struggle went on, outrages and injustices cluttered the details on both sides, but on the whole the fundamental

demand of the people was just. Likewise the fundamental demand of labor for industrial enfranchisement is undoubtedly just in the main, and should not be obscured by the injustices or even outrages on both sides that clutter the details of the situation. It is possible to get so close to the foothills that one cannot see the great peaks at all. If we could see the great issues as clearly now as posterity will see them in retrospect five hundred years hence, public opinion would promptly hand down its verdict in favor of the industrial enfranchisement of labor, and the quarrel would soon be over.

The great central question is: Shall labor have a potent voice in the management of large-scale industry? Some of our greatest minds have seen clearly that labor is justified in demanding that right, and that capital is in the wrong in refusing it. Theodore Roosevelt saw it. In "The Foes of Our Own Household" (p. 105) he wrote:

"At present the mass of people engaged in industry cannot become owners as individuals; and to give this mass a nominal ownership which does not imply control fails to reach the heart of the matter, for control is the element which implies equality between men. . . . Therefore, instead of individual control of industry there must to-day be some species of collective control of industry; which means that the tool users shall become the tool owners. . . ."

"The more we condemn unadulterated Marxian Socialism, the stouter should be our insistence on thoroughgoing social reforms." (p. 177.)

One of the most encouraging omens of the year just past is the public espousal of this principle by

John D. Rockefeller, Jr. He declares [1] himself unequivocally in favor of "adequate representation of the employees." He insists that the principle, wherever it has been in operation for any considerable time, has shown the following beneficial results:

"First, more continuous operation of the plants and less interruption in the employment of workers, resulting in larger returns for both capital and labor. Second, improved working and living conditions. Third, frequent and close contact between employees and officers. Fourth, the elimination of grievances as disturbing factors. Fifth, good-will developed to a high degree. Sixth, the creation of a community spirit."

Summing up his own views Mr. Rockefeller says:

"The reign of autocracy has passed. Men are rapidly coming to see that human life is of infinitely greater value than material wealth; that the health, happiness and well-being of the individual, however humble, is not to be sacrificed to the selfish aggrandizement of the more fortunate or more powerful. . . .

"What is the attitude of the leaders in industry as they face this critical period of reconstruction? Is it that of the standpatters who ignore the extraordinary changes which have come over the face of the civilized world and have taken place in the minds of men, who, arming themselves to the teeth, attempt stubbornly to resist the inevitable and invite open warfare with the other parties in industry, and who say: 'What has been and is, must continue to be; with our backs to the wall we will fight it out along the old lines or go down to defeat?'

"Or is their attitude one in which I myself profoundly

[1] Published originally in the *International Labor Review;* reviewed in *The Survey* for August 16, 1921.

believe, which takes cognizance of the inherent right and justice of the coöperative principle underlying the new order, which recognizes that mighty changes are inevitable, many of them desirable, and which does not wait until forced to adopt new methods, but takes the lead in calling together the parties to industry for a round-table conference to be held in a spirit of justice, fair play, and brotherhood, with a view to working out some plan of coöperation, which will ensure to all those concerned adequate representation, will afford to labor a voice in the forming of industrial policy, and an opportunity to earn a fair wage under such conditions as shall leave time, not alone for food and sleep, but also for recreation and the development of the higher things of life?"

Elbert H. Gary, president of the United States Steel Corporation, takes a different view of the matter, however. He says[1]: "The security holders must be recognized as rightfully in control. . . . They properly may and ultimately will dictate the personnel, the governing rules, the policies, sales and purchases, extensions and improvements, rates of compensation to employees, including special compensation or bonus appropriations for merit, terms and conditions of employment, and all other matters pertaining to the properties and business and management of the corporation. After the honest fulfillment of all obligations to others, they are entitled not only to a fair and reasonable return on their investments, but to all the net proceeds of the business. . . .

"We do not endorse experimentation, especially con-

[1] "Principles and Policies of the United States Steel Corporation"; a statement by Elbert H. Gary, Chairman, at the Annual Meeting of the Stockholders, April 18, 1921.

cerning workmen, unless it seems practical and reasonable. I venture the individual opinion that any plan which seeks to deprive the investor of the control of his property and business is inimical to the fundamental ideas of our country and to the public welfare. Any step in this direction is to be deplored. Any nation which adopts it will fail to maintain a leading position in industrial proficiency and progress. . . .

"It seems to me that the natural, if not the necessary, result of the contemplated progress of labor unions, if successful, would be to secure the control of shops, then of the general management of business, then of capital, and finally of government."

The Report of the Interchurch World Movement shows what are the logical and inevitable consequences of the Gary policy. In the manufacturing branch of the steel industry, where it is in force, it meant that approximately half the employees were subjected to a twelve-hour day, and approximately one half of these in turn to a seven-day week [1]; that the annual earnings of 72 per cent of the workers were below the lowest standard that scientists are willing to term an American standard of living, and 38 per cent of the workers earned only three quarters of the sum needed for such a standard [2]; that the system resulted in daily grievances, for which there was no means of redress [3]; that an extremely provocative organization of private spies and detectives was an integral part of the system [4]; that the press was prostituted to the policy of deceiving

[1] "The Steel Strike of 1919," p. 11.
[2] The same, p. 12.
[3] The same, p. 14.
[4] The same, p. 14, and "Public Opinion and the Steel Strike," pp. 1-86.

the public [1]; that civil rights of free speech and assembly were abrogated, and that personal rights were violated by community and state authorities who were subservient to the corporation.[2] Such conditions are not "permanently satisfying to representative American citizens." In view of the almost limitless possibilities for harm that are involved in the Gary policy, one is reminded of what used to be said about the Bourbon autocrats—that they never learned anything and never forgot anything.

If the reader demands positive demonstration that management by investor and worker jointly will prove efficient, it has to be admitted that the question is a hard one. On the other hand, why insist so religiously on the efficiency of investor management? As a matter of fact, efficient is what it is not. Authorities [3] assert that monopoly is sufficiently developed in various industries so that customary methods are entrenched, and progressive innovations stifled. But the shameful inefficiency of the present management has been most mercilessly uncovered by the Federated American Engineers. Their report has already been summarized (p. 92 ff, above). Joint management could hardly be worse; there are reasons to assume that it might be much better. The coöperative societies of England and Denmark have been managed by laboring people, and they are among the largest and most successful enterprises in the world.

The stock argument against employees' participation in management is the assertion that they cannot be

[1] "Public Opinion," etc., pp. 87-162.
[2] "The Steel Strike," p. 15; "Public Opinion," etc., pp. 163-223.
[3] Clark, "The Control of the Trusts," p. 83 f.; Jones, "The Trust Problem in the United States," pp. 530 ff.

trusted with so much managerial responsibility. A crowd of ignorant laborers, utterly inexperienced in management, would soon run production into the ground. The most trenchant bit of literature bearing on this question that has come to the writer's notice is Veblen's "The Engineers and the Price System." He diverts attention from the mass of unskilled laborers to the small group of highly trained experts, technicians and engineers. "Without them and their constant attention the industrial equipment, the mechanical appliances of industry, would foot up to just so much junk." "These expert men, technologists, engineers, or whatever name may best suit them, make up the indispensable General Staff of the industrial system." These hired men actually are the managers of industry, on the production side, even now. Veblen asserts that the organized engineers, representing labor, are entirely capable of managing industry without the financial supervision of "absentee owners," represented by "syndicated investment bankers." Indeed, he even goes so far as to contend that such supervision is an actual hindrance to production by the engineers, and therefore an expensive nuisance to the consuming public. From the standpoint of the public interests, he argues that our industries would be better managed for us by the engineers than by the financiers. The suggestion is novel, and worthy of consideration, to say the least. The force of Veblen's argument can, of course, be appreciated only by devoting a sitting to his piquant and very witty little book. If his arguments are sound, it is not production, but profiteering, that would be run into the ground by industrial democracy; and that is the pith of the objection to it.

A great many firms are practicing arrangements which they advertise as employees' participation in management. Some of these—as, for example, the Goodyear plan—have acquired a considerable reputation for their success. From these ventures many middle class business men have inferred that capital has already met labor more than half way, and that joint management is already an assured success. But such inferences are too hasty. Without impeaching the sincerity of the Goodyear or other similar plans, it may be well to quote what Royal Meeker, the leading American authority on this subject, said before the American Economic Association [1] in 1920:

"Of all the many hundreds of systems of 'industrial democracy' which I have studied, very few give promise of accomplishing much in the way of winning the enthusiastic support of the workers, because little, if any, additional authority over or responsibility for methods and results is accorded them. In the great majority of plans, the workers are permitted only to participate in managing, under safeguards and direction or at least suggestion from above, matters of safety, sanitation, benefit funds, and other 'welfare' activities. No eager, enthusiastic response from the workers can be expected from such ultra-conservative adventures in industrial radicalism. I do not mean that these plans are, in the great majority of cases, insincere schemes intended to deceive the worker into thinking he is being taken into partnership when he is really only being 'taken in.' Nothing of the sort. I think employers in general sincerely desire to make

[1] See *American Economic Review,* Supplement, 1920, pp. 89 ff.

concessions to labor. Of course, they want to concede as little as is absolutely necessary to prevent the spread of those radical things with the fearsome Russian names. Perhaps as time goes by the workers will be given the opportunity to demonstrate that they are worthy of greater responsibilities and capable of more constructive contributions to industrial management. None of the shop committees and works councils has been operating long enough to warrant generalizations about future developments.

"As a worker and a student I feel that there is a tremendous latent creative force in the workers of to-day which is not being utilized at all. This force may be likened to the force of the waves and the tides of the ocean. No engineer has as yet been able to devise a practical method for utilizing the giant strength of the sea; but every industrial engineer with any imagination whatsoever dreams of the day when this giant will be harnessed and made to do the work of the world. Perhaps it is not and never will be economically feasible to harness the sea. It is likewise possible that human nature is fundamentally so constituted that it never will be practicable to utilize the good will, enthusiasm, and creative power of the workers—to substitute leadership for drivership in industry. It may be that industrial peace on earth is unattainable, and that industrial war is the natural state of man; but I do not believe it. Anyhow, it is worth a thorough trial in order to find out whether the workers, if given responsibility in industrial management, will become so interested in their work that they won't have time to be restless."

As this book goes through the proof reading an

article appears in the February, 1922, *Atlantic*, subtitled: "A Way Out for Labor and Capital." According to this writer the way out is voluntary fairness on the part of the employer.

"The underlying principle of the relationship under discussion is that the employer shall not take advantage of the opportunity thus given to him. On the contrary, it is based upon the fact that, at any time, for any company, there is a fair wage that can be paid. The conditions in the company, in the industry, and general business conditions, determine this. Sometimes it is higher, sometimes lower; but whatever it is, it is not to be determined by the amount at which men would rather work than be out of employment. Likewise, this is equally true of hours of labor and of other conditions of work. What this wage is, what these hours are, what these conditions of employment are—these are questions of fact, to be determined as such."

It is stated that the question of what fair wages and conditions actually are may be determined in various ways. Several concerns in which this principle is in use are described, but the Standard Oil Company of New Jersey receives special attention. In this company

"All questions affecting wages, hours and working conditions have been determined by conferences between representatives of the company and representatives of the employees. * * * The Board of Directors is the final authority; but in actual practice these matters are settled in joint conference.

"It is by no means essential, however, that the method be democratic. Just as sometimes in political life an able and benevolent monarch furnishes a highly successful

government, so in industry the officers of a company can actually determine from time to time what are fair wages, hours, and working conditions, with no more than informal contact with employees."

The writer claims various advantages for this adjustment, among the rest that it greatly increases the efficiency and productiveness of the workers. Its success is demonstrated, he asserts, by the practice of numerous firms which he enumerates and describes in some detail.

The prominence given to the Standard Oil Company of New Jersey in this article suggests the pronouncement by John D. Rockefeller, Jr., earlier in this chapter. Let us accord absolute sincerity to Mr. Rockefeller's statement of his industrial creed, and to any attempts to work it out in practice. As is stated in a later chapter of this book, why may we not believe that Christian ideals are at last actually to produce Christian business men? Could a greater boon befall the twentieth century than for a few of its leading generals of industry actually to work out industrial justice voluntarily?

Nevertheless, the experiences of history make it excusable on our part if we are wary of carrying all our eggs to market in that one basket. Benevolent despotisms fall somewhat short of commanding our entire confidence. The term unavoidably suggests its most shining example in political history—the Hohenzollern dynasty! The same succession that is blessed with an Augustus or a Marcus Aurelius is too apt to be cursed with a Nero or a Caligula. If the benevolent despots of modern industry really do aspire to give us a better world through their voluntary benevolence we are willing, indeed gratefully anxious, for them to

demonstrate. But the earnest of their benevolence which will bow our hearts in an ultimate act of faith will be when they abdicate "the final authority of the board of directors." But even to this we are willing to accept a gradual preparation and approach, if only we can be assured that an approach it really is, and that it will be consummated eventually. Then we shall be assured that they, like their avowed Master, are not afraid to commit themselves to their own creed. Meantime, do we not well know that the cup of responsibility which this fateful century is pressing to their Lilliputian lips would be far too great for us to drink from if it were pressed to ours instead.

So far in this discussion reference has been made only to the suggestions of capital for solving the problem of industrial democracy. But labor has suggestions also; and is there any more inherent presumption in their making suggestions than there is in capital's doing so? The proposal of labor is collective bargaining through the unions. For more than a century they have been slowly building up their unions with that single objective in view. And they are not likely to abandon their aims.

There seem to be relatively few middle class citizens who understand the fundamental principles of the labor movement. Minor or quite irrelevant details get into the focus of their attention, and central issues are lost sight of altogether. One is reminded of a certain patient who, according to the doctor's diagnosis, was suffering from arteriosclerosis, pulmonary tuberculosis and pediculosis capitis. Neither the patient nor his family could be induced to take the slightest interest

in the arteriosclerosis nor the pulmonary tuberculosis; but both he and they were violently concerned about the pediculosis capitis. That was what itched! Most of us are similarly intelligent about the relative importance of things in the labor movement.

A certain firm recently advertised for fifty men. The next morning at the specified hour 2,000 were crowded around the entrance to their plant. The company took a picture of the crowd and hung copies of it about their shops. The disciplinary effect was magical.

The case was typical, though somewhat exaggerated, due to a business depression at the time. There is always a crowd of hungry out-of-works on the outside. That hungry crowd of out-of-works is the most significant causal fact in the whole situation. It is their existence that strikes fear to the heart of the employed worker inside. He is in constant danger of losing his job to one of them. He dare not ask too high a wage lest one of them underbid him and get his job away. For him, as well as for themselves, that crowd outside keeps wages down to the Ricardian level.

To the employer, on the other hand, their presence outside is a bonanza, a justification for quiet sleep, and a means of thick beefsteaks.

The dearest wish of the laborer on the inside is to be rid of the menace of that crowd on the outside. If he could only get them all into his union, and get their pledge not to put in a bid for his job, he would make almost any compromise with them. He would soldier on his job so as to make two jobs grow where but one had grown before, so that there would be jobs enough for him and them, and at a price agreed upon by all

of them. That would be incomparably better, he thinks, than for them to be bidding down the price of both his job and theirs.

But he never gets them all into his union, so perversely blind are they to the mutuality of their interests and his.

But whenever his boss ventures to employ one of them (except on terms approved by his union) he makes the boss trouble if he dares. Often he goes on strike to enforce "recognition of the union," which means to compel his boss to have no dealings with that crowd outside.

It is when he goes on strike that they worry him the most, however, for then they are liable to sneak in and take his job, and at any poor price. So he stands around the gate and "pickets." If they persist on going in to get his job, he, as likely as not, loses his head and throws brickbats at them; which brickbats are in danger of going through the adjacent window, thus invading the rights of property. He may even go so far as to call them "scabs." If he could only keep them away—i. e., maintain a "closed shop"—his employer would soon have to call him back on terms of his own dictating; and then he, the laborer, would have a voice in the management of the industry and in the division of the profits. But, alas, he is prevented by that hungry crowd of out-of-works outside.

To the employer the right of that crowd outside to sell their labor to whomever they please (that is to him) is in his conscience like the apple of an eye. He gets our country's militia called out to open the way through the pickets so the crowd outside can come

in where the jobs are to which they have a right. Sometimes he boards the militia himself. Usually the militia is instructed not to shoot unless it is necessary. Or better still he gets the courts to declare picketing illegal, or to reduce the number of legal pickets to one per entrance. If the President calls him into conference with labor and the public over the issue, he bolts the conference with the august ultimatum that it is a principle for which he stands, namely, the right of that crowd out there to sell their labor to anybody that will buy it, at any price they can get.

The strength or weakness of collective bargaining depends almost entirely upon the success or lack of it with which the labor unions can maintain the closed shop. A drive for the open shop is a drive at the very heart of collective bargaining. Labor wants the closed shop so as to enjoy industrial enfranchisement; capital wants the open shop so as to perpetuate industrial disfranchisement. Collective bargaining is labor's proposal for making industrial democracy real; capital opposes it because reality is precisely what it will contribute to industrial democracy.

Meantime we of the middle class sputter against labor because a plumber declines to connect the gas range, or a carpenter and his helper sit and wait while an electrician and his helper screw in a dozen electric light bulbs. And meantime also labor makes the irreparable blunder of exasperating the prejudices and flaunting the misunderstandings of the public.

Collective bargaining may not prove to be the solution of the problem; but it is labor's insistent proposal the world over; and certainly it is safe to say that the time is now here when the public should form a more intelligent judgment than ever before as to its merits.

As for us of the middle class, if we do not wish this war over the principle of collective bargaining to continue we must devise and enforce some better method of industrial democracy. But let us not deceive ourselves into imagining that the industrial disfranchisement of the workers can go unremedied. There are too many of them, and they are too thoroughly indoctrinated with the ideals of democracy.

Industrial disfranchisement is an ugly word. Blown upon by the hot breath of democratic ideals, can we doubt that it will continue to give off the gray vapors of social discontent? The industrial enfranchisement of labor is the most fundamental of all the reforms needed. It lies closest to the heart of the social unrest. If the central word of this whole book is desired, we are now ready to pronounce it. It is: Faith! Faith in the feasibility of industrial democracy. As an inference from our faith in political democracy and the Christian ideals of human life, Mr. Gary simply *must* be wrong. If the reader has faith in democracy and Christianity at all, how can he doubt that the nation which is first to enfranchise its working people industrially will assuredly gain a great initial advantage in world competition, just as did those nations that were first to enfranchise their common people politically. Especially if industrial enfranchisement is promptly accompanied with industrial education.

We often hear it remarked, with an air of absolute finality, that there are always two sides to every question. But in the perspective of history a shadow of doubt falls upon this old saw. When the Children of Israel, oppressed under the heel of Pharaoh, cried unto Jehovah in their despair, and Moses led them out across the Dead Sea and the wilderness, there were two

sides to the question. When Spartacus with his gladiators, in the days of Pompey, were hunted down like beasts till 6,000 of their bodies, borne aloft on crosses, lined the Appian Way, a warning to all other slaves who should dare to strike for freedom, there were two sides to the question. When the Paris mob, after a century and a half of Bourbon autocracy, surged out of Paris and stormed the Bastile, there were two sides to the question. When, as a protest against political disfranchisement, the Bostonians dumped the tea into Boston Harbor, John Hancock and his associates risked their signatures to the Declaration of Independence, and Washington with his bleeding little army struggled through from Valley Forge to Yorktown, there were two sides to the question. There always are two sides to every question! Are there not? But it is always the contemporaries, unfortunately, who are least capable of seeing which side is which. Strange how generously our sympathies go out to the poor and oppressed in all periods of history, except, forsooth, the only period in which there is the slightest chance to make our sympathies count for anything.

Of course there really are faults on both sides, just as there are in all wars. We are even now beginning to realize that the policy of the German Imperial Government was not the only cause of the Great War. There was also the policy of British capitalism! We are even beginning to wonder whether the "Huns" were the only ones guilty of atrocities. The Civil War has now receded far enough into the past so that we are able to see that there were faults on each side, both as to its causes and its conduct. And so there are in this labor-capital controversy. Labor, on account of its guerrilla tactics and its inexcusable outrages

against certain fundamental moral principles, has justly forfeited much of the good will of the public. Nor has capital been innocent either.

Nevertheless, the fact remains that Germany was wrong in her reversion to political autocracy, but the Allies were right in their stand for democracy. To make the world safe for democracy is what we really were fighting for; as we should now realize if Germany had won and we had lost our aims. The South was wrong in her defense of slavery and state sovereignty, as its enlightened men and women now realize; and the North was right. It is fortunate for America and the world that the right won. And so it is in the war between capital and labor. Labor is right in its demand for industrial enfranchisement; and capital is wrong in opposing it. Compared with that nothing else really counts to speak of. Posterity will see that as clearly as the summer tourist at Colorado Springs sees the snow-capped summit of Pike's Peak above every other object in the region. If we could all see it *now*, a public opinion would formulate itself that would coerce a just and stable settlement *without a fight*. That is what our fathers ought to have been able to do in the case of the Civil War. Why are we so perversely blind as to go on forever glorifying war for settling issues that men ought to be able to settle without war? When are we ever to begin using a new method? Never, till we develop the insight to discern the merits of an issue while we are still in the midst of it. Therein is the folly and danger of this owl-wise foolishness to the effect that "there are always two sides to every question." There often are: the right side and the wrong side!

CHAPTER XII

SOME NECESSARY ECONOMIC REFORMS

THE central problem of the present crisis is that of devising a mechanism for industrial democracy. But many other reforms are necessary also. Socialism proposes one single, great, and all-inclusive reform as a panacea for the ills of the present social crisis. The ear-mark of quackery is that it is always strong in cure-alls. But science has no faith in panaceas; it depends upon specifics instead. Socialism appeals to ignorant persons for the same reasons that patent medicines do: the formula is simple, it sounds as if it would be pleasant to take, and it promises to cure everything. But the social organism is quite as intricate as the human body and subject to as many different sorts of ills. At present it is suffering from a complication of disorders; for which numerous specifics are needed. It is far outside the scope of this book to make an exhaustive diagnosis of our social disorders or to prescribe a complete course of treatment. That would be only less presumptuous than socialism. Only a few of the most obviously needed reforms will be suggested here. For anything approaching completeness or finality we must wait upon the advancement and popularization of social science.

First: Taxes. There is scarcely any public problem that is causing more discussion at the present time than taxation. It is almost universally agreed that our tax system needs reforming. But no problem is more difficult of solution in practice, for two reasons: it requires the profoundest scientific insight to foresee what the incidence of a specific tax measure will be; and, second, selfishness is so rampant that a just solution is almost too much to hope for.

But it is with respect to the fundamental aims of taxation that we need to clarify our vision. In the past the aim of taxation has been single—at least as set forth in the treatises on the subject—namely, to collect funds for the support of government. In view of the enormous and anti-social concentration of wealth that has developed since, and because of, the Industrial Revolution, it would seem that we might add a second purpose to taxation, namely: to restore a wholesome equilibrium. Taxation can be used as a means of rediffusing the wealth of the community; and why should it not?

As a matter of fact taxation always has been a factor in the distribution of wealth. In all periods of history we see certain privileged patricians waxing fat as a direct or indirect result of the tax system, while the noses of the plebeian masses were being held ruthlessly to the tax-gatherer's grindstone. Governments have been undermined by this abuse. Our own federal tax system, for a generation following the Civil War, is recognized by authorities[1] in economics to have been an important factor in the concentration of wealth in

[1] See Ely, "Monopolies and Trusts," p. 254.

the United States. This is a subject that merits very curious and diligent study on the part of all middle class tax payers. It is a much neglected chapter in our national history. If we have got wealth piled up too high in some spots for the general good, as a result partly of taxation, why should we not correct the defect by the same device?

Instances are rare in history of civilizations declining because the richest two per cent were deprived of their motive for productive enterprise by reason of an extra heavy tax burden, the proceeds of which were used to promote the health and education of the ignorant and depraved masses at the bottom.

The reason why taxation has frequently concentrated wealth sometimes appears incidentally between the lines of the most authoritative and conservative writers. Here is a quotation from Daniels' "Public Finance," the quotation within the quotation being from H. C. Adams. It reads:

"Lastly, *the universality of public credit* must be reckoned among the noteworthy attributes of the financial constitution of to-day. The significance of the late rise of public credit and of its extension parallel with the growth of the political power of the propertied classes consists in the fact that 'when property owners lend to the government they lend to a corporation controlled by themselves.' Public debts are in reality *mortgages* upon all the industries under the taxing power of the debtor government. The interest on these debts ordinarily can be paid only by taxation. *Some substantial security against repudiation* is a condition necessarily precedent to the employment of public credit; and this security originated and consists in the political power of the

propertied classes. Hence the origin of this last characteristic of modern public finance."

Why should not this quotation suggest to the middle class that conditions are ripe for us to assume the control of taxation?

For the purpose of lopping the tops off from unduly tall fortunes it would seem that the inheritance tax is the most promising instrument. If a man has accumulated an estate of some hundreds of millions, it is not easy to see how his productive efficiency could be discouraged by the prospect of bequeathing part of it to the public instead of to his sons and sons-in-law; but it is easy to see how the young men's productive efficiency might be increased by a rather severe dose of such medicine. The danger of "killing the goose that lays the golden egg" is least in the case of inheritance taxes. That phrase is a great favorite with those whom Daniels calls "the propertied classes." But it would seem proper for us of the middle classes to become quite as much interested in cooking the eggs that hatch the golden geese.

This may sound "radical" to some; and yet the plan was proposed years ago by one of our "captains of industry," Mr. Andrew Carnegie. He said:

"The growing disposition to tax more and more heavily large estates left at death is a cheering indication of the growth of a salutary change in public opinion. . . . The budget presented in the British Parliament the other day proposed to increase the death duties; and, most significant of all, the new tax is to be a graduated one. Of all forms of taxation this seems the wisest. Men who continue hoarding great sums all their lives,

the proper use of which for public ends would work good to the community from which it chiefly came, should be made to feel that the community, in the form of the State, cannot thus be deprived of its proper share. By taxing estates heavily at death the State marks its condemnation of the selfish millionaire's unworthy life." [1]

And again:

"By taxing estates heavily at death, the State marks its condemnation of the selfish millionaire's unworthy life. It is desirable that nations should go much farther in this direction." [2]

And still again:

"The Almighty Dollar bequeathed to children is an 'almighty curse.' No man has a right to handicap his son with such a burden as great wealth." [3]

Inheritance is a right maintained by the state; otherwise it could not exist; the state may modify it for the general good; in fact, is morally obligated to do so. Inheritance taxes are not a hardship, because they can be foreseen. No doubt society ought to be conservative and cautious about limiting the amount of property a man may legally accumulate. There is some correlation between making money and benefiting the community. But there is growing up a very considerable intelligent sentiment in favor of limiting quite rigorously the amount of wealth a man may bequeath.

The purpose of inheritance is to insure opportunity

[1] Quoted in H. E. Read's "Abolition of Inheritance," N. Y., 1918, p. 173.
[2] Andrew Carnegie in *North American Review*, Vol. 148, p. 659.
[3] Andrew Carnegie in "The Gospel of Wealth."

and protection to one's offspring. But it is entirely conceivable that opportunity and protection can be better secured in some other way than by private inheritance. Education is really a kind of inheritance; by it the young come into possession of the accumulated knowledge and culture of the past generation. That kind of inheritance used to be left to the family, just as property inheritance still is. In the olden days there were no public schools; it was a private tutor or no tutor at all, a private school or no school at all. But now the government has taken over the responsibility of educating the young and sees to it that the heritage of knowledge and culture is passed on to all in proportion to their ability to utilize it. The inheritance of wealth is a means, not an end. Its object is not to relieve young people of the necessity of being useful, but to insure every young person a fair opportunity of becoming useful. And for that purpose public inheritance may prove to be quite as equitable and effective as private inheritance. The purpose of material inheritance, like cultural inheritance (i. e., education), is to insure opportunity and protection to children. In the olden days both were responsibilities of the family. The nineteenth century saw the transference of that responsibility, so far as cultural inheritance is concerned, from the family to the state. The twentieth century may see the same transference of responsibility in the case of material inheritance. And the one might conceivably be as great a gain as the other; for is it not better in a democracy to endow opportunity for the many than to endow parasitism and luxury for a few? Enormous sums might thereby be made available for

educational and other public welfare purposes. And the gross inequalities of wealth that now constitute such a serious social irritant could thus be systematically mitigated once every generation, with hardship to nobody. It is the socially created handicaps and advantages, for which no rational justification can be offered, that generate the social unrest.

The case is not quite so clear for graduated income taxes. There is more danger that they might put a penalty on brains, and discourage industry. This is of course a real danger, but it is least likely to be a social menace when applied to the few excessively rich, especially when such incomes accrue chiefly from property. At any rate we should hardly take too seriously the present outcry against them. It may be repeated that it is only sheep that before their shearers are dumb.

The enormous war debts under which the world is now staggering make it critically important that the middle class study taxation with a view to redistribution of wealth thereby. If concentration should again be promoted by the methods of paying our present super-enormous war debts, as it was by our methods of paying the relatively small debts after the Civil War, it is hard to see how there could be much real democracy left. A great war debt is an unsafe thing for a democracy!

Second: Monopoly. One of the pressing needs of the present situation is the control of monopoly and near monopoly. But it is also one of the unsolved problems of economics. Professor Jones [1] concludes (p. 493), "that the program of trust dissolution has by

[1] "The Trust Problem in the United States."

no means been fully successful." Professor Ely predicted as much, twenty-odd years ago, as anyone might have done who understood the principles underlying the movement. The following sentences may be quoted from Professor Jones's conclusion:

"If, then, the purposes of the anti-trust laws are to be achieved, it is evident that unfair methods of competition must be eliminated; the monopolization of natural resources must be prevented, by socialization if necessary; the patent laws must be revised; trust dissolutions must be made more effective; and the tariff must be reformed" (p. 563).

"The restoration of competitive conditions would be greatly expedited by the reform of our corporation laws, and in particular by the requirement that all corporations engaged in interstate commerce be compelled to take out a federal charter" (p. 563).

"If, however, the destruction of the trusts is not deemed feasible, or even socially desirable, there are two alternatives: (1) The trusts may be permitted to continue as privately owned monopolies, their potentialities for evil being removed, so far as possible, through governmental regulation of their prices, securities, and the like, following the analogy of the Interstate Commerce Commission. The difficulties that are likely to be encountered in carrying out this program are impressive. (2) The other alternative is the socialization of the monopolized industries. For this step the country is not yet ready, and perhaps may never be" (p. 565).

Third: Immigration. The Minneapolis *Journal* recently raised the question editorially whether a country might not have too much population. This is a new point of view in the popular press. There are

reasons why growth of population has always been regarded favorably. It was desirable for purposes of defense as well as industry. The death rate was high; so a high birth rate was necessary. In America the vast new area to be occupied made a rapidly growing population desirable. But we have now arrived at a stage of our development when we must develop a new point of view. The old superstition about the duty of raising large families may have been valid in olden times, but now it serves only as "dope" with which employers like to doctor the labor market. From now on the growth of population means Ricardo's iron law of wages. It means cut-throat competition among laborers. It means poverty, and poverty means social unrest. And so far as breeding poverty and social unrest is concerned, immigration from Europe is worse than "immigration from heaven"—the steerage is worse than the stork—because foreigners have such low standards of living.

The public mind is badly muddled on the subject of immigration, chiefly because it has been "doped." In the first place we need to remember that the talk we hear so constantly about scarcity of labor is not true. It simply is not true! There is no more fundamental idea for the public to get into its head than the fallacy and deceit of this "dope" about scarcity of labor. About 2,000,000 is the normal number of unemployed. Except in exceptional times, like the stress of war or reconstruction, there is an over-supply of labor. The fear of unemployment is one of the most serious worries of the laboring man. Unrestricted immigration makes it worse. There is an element of employers' propaganda in the demand for imported labor. An

abundant supply of cheap labor is the purpose of the big corporations in conniving with the steamship companies to fill the steerage. The foreigner, because of the low standard of living that he is accustomed to, will accept a lower wage than the native worker; so competition with the foreigner forces down the wages of the natives. The chief effect of immigration is to depress American wages; and that is why the public is kept humbugged about it, and why it is so hard to get it restricted by law.

This is the joker in the protective tariff. During the entire period while the importation of the products of foreign labor was restricted, the importation of foreign labor itself was never restricted at all. Instead of protecting American labor against cheap foreign labor, the tariff made American labor pay a high price for their employers' protected goods, while getting a low price for their own unprotected labor. This is why students of the subject are not at all surprised when reactionary politicians advocate a return to the protective tariff. War debts furnish a most admirable excuse.

While the assimilation of immigrant population keeps the labor market in constant congestion, it does not, as the public naïvely supposes, increase the population in the long run. It is generally assumed by American economists that the immigration of the past fifty years has not made our present population much greater than what it would have been without immigration. In the future it will probably increase our population less than in the past. Immigration simply substitutes the children of immigrants for the unborn children of the native stock! Native workers, finding

themselves unable to compete with foreign workers and maintain their standard of living, have recourse to limiting the size of their families. Foreign workers feel no such necessity. Immigration has been one of the chief factors in reducing the birth rate of the middle class. There is a consensus of opinion among economists and sociologists that immigration should be rigorously restricted. For if we allow ourselves, generation after generation, to be swamped by an army of cheap immigrants we can hardly hope to solve our problem at all. A man might as well try to warm his house and family in the winter with his doors standing wide open, in the delusion that he is warming the people in the street.

Fourth: Industrial Education. We need a thoroughgoing reorganization of our educational system with a view to adequate vocational training. Our present secondary education, which requires boys and girls of the teen-age to spend so much of their time sitting on board seats and reading out of books is in direct defiance of all the physical and mental tendencies of adolescence. Nature demands that they be active, and industrial participation is one of the most educative experiences to which they could be subjected. The halfway position that secondary education now occupies between the old Latin-mathematics curriculum and a really adequate provision for universal vocational training, is, to admit the truth, a halfway station between the old fashioned secondary education designed only for aristocrats, and that really democratic education for the masses which the future will eventually bring forth.

The application of science and the use of machinery are capable of making undreamed-of changes in numerous lines of work. This fact was mentioned before, and agriculture was cited as an example. Housekeeping is another example. Electricity is the best maid. There is scarcely any art nor science that a good home maker cannot make use of. Domestic engineering is a coming profession, for which all girls should be professionalized through the high school curriculum. And what is true of these two types of drudgery is true of nobody knows how many other types.

And with an industrial education of the scope suggested here the productivity of labor could be very greatly increased. There are two ways of making two blades of productive labor grow where but one had grown before. One is to import an extra laborer from Europe; the other is to double the productive power of the native laborer by giving him industrial education, including a technical knowledge of the sciences and mechanics involved in his work. The advantage of the latter is that it adds to the food supply without adding mouths to be fed. It ought, therefore, to be universal. Such an educational innovation requires some faith, however; and would involve some changes in the industrial processes.

According to all competent sociological and educational opinion industrial education should be accompanied by liberal education. The two should not be divorced; in fact, that can not be, as any one must realize who stops to consider how essential science is to all industrial processes. Such education, combining

industrial training and liberal culture, would qualify the laboring class for the enfranchisement called for in the first part of this chapter.

In Chapter VIII it was asserted [1] that the greatest undeveloped market for American industry is the potential purchasing power of the laboring class. It was there pointed out that raising the standard of living of the poor so as to produce this extra market, need come out of the industrial shares of no one else. The reason must now be apparent; by industrial education their productive power can be increased, so that their higher standard of living would only be their own extra consumption of their own extra production.

Industrial education will be mentioned again in Chapter XVI.

Fifth: Health. Three million people are on the sick list all the time, afflicted either with tuberculosis, pneumonia, venereal diseases, typhoid, malaria, hookworm, yellow fever, or industrial diseases. Two thirds of the children of our public schools are handicapped by malnutrition, defective teeth, diseased tonsils, adenoids, enlarged glands, impaired vision or hearing, spinal curvature, organic heart disease, nervous disorder or other physical defects prejudicial to health. Nearly half a million industrial accidents occur annually, fully ten per cent of which are fatal. Infant mortality accounts for one fourth the death rate. All this imposes an awful burden upon the people, especially upon the poor. It reduces their earning power very materially indeed, as well as increasing their expenses. It deprives families of their means of support, plunging them into pauperism and depriving the rising genera-

[1] See Chapter VIII, p. 112.

tion of opportunity. It causes incalculable suffering and grief. It perpetuates itself from generation to generation.

Science has now advanced to the stage where most of this is preventable. Health becomes accordingly a natural right. The first step is a complete system of medical inspection in schools, together with school clinics and practical instruction in hygiene. This is rapidly developing already, and is full of promise. The Red Cross is not only promoting this health work in schools but is extending it into the communities, and carrying it to the homes. Sociologists have long advocated "the socialization of the medical profession," which means that doctors, nurses and pharmacists should be employees of the state, just as teachers now are, and hospitals and clinics, public institutions like the schools. The arguments against this are precisely the same as those urged against the public school one hundred years ago. Present developments, especially health work in schools, and the work of the Red Cross, indicate that the socialization of the medical profession may not be so very far in the future.

Sixth: Miscellaneous Economic Reforms. The foregoing are among the most fundamental of the scientific measures for securing a larger measure of social justice. They are some of the changes most needed in the rules of the game. But there are many others. To discuss them all would be to write a thick book instead of a short chapter. A few others may be mentioned.

Unemployment is a serious burden to labor; the right to work would seem to be a natural right. "The creation of a comprehensive, efficient and neutral

federal-state employment service, manned with a trained and progressive personnel, inspired by sound ideals of national service, and functioning for both economic and social progress, is the immediate need of America." [1] The government can guarantee employment by planning public works to be done at slack seasons. The plan would affect the labor market much as the federal reserve banking system affects the money market.

Industrial accident, sickness, and old age insurance have already been somewhat developed; suitable legal enactments should carry these types of social insurance much farther. Child and woman labor, the conditions of labor, housing and sanitation, should all be controlled by law; much has already been accomplished in these lines. High finance, or the jugglery of corporation securities, has been one of the flagrant evils of recent times. Too many large fortunes represent no contribution whatever to industry, national wealth, nor social welfare, but only the clever manipulation of stocks and bonds. In its worst forms corporation finance has been plain gambling and pure cheat. Such wrongs must be made crimes against the law.

Seventh: International Comity. International trade, outlet into the world markets, and dependable international credits, are necessary to our national prosperity. These are seriously hindered of course by unstable international relations. The burden of taxation to prepare against possible future wars is becoming insufferable. Besides, actual war is always imminent, a Moloch ever ready to destroy the children of each new generation. The after war collapse of credit threatens

[1] Don L. Loescher, in *American Labor Legislation Review*, March, 1920, p. 59.

the collapse of international trade. But it takes more than good will and pious wishes to assure international peace and stability. There must be some machinery which can *enforce* the adjustment of differences. Not personal good will, but the courts of justice put an end to private defense and vengeance. The German states fought among themselves until a federal empire was set up. The Greek states never achieved such a piece of interstate machinery; instead they fought each other to death. The aim of our Civil War was to preserve our federal institution. And there will never be international peace till the world creates some international machinery competent to enforce it.

But that machinery will cost something. The price will be to limit the sovereignty of nations; just as the price of matrimony is to limit the freedom of the contracting parties. We individualistic middle class Americans are discouragingly slow in seeing the necessity for that. We can see the costs of an international federation; but we cannot see the cost of getting along without one. That cost is the next war!

* * * * *

The aggregate effect of all these reforms would be very considerable indeed. They would prevent no competent person from becoming rich; only from becoming richer than is good for society. They would remove from nobody the incentive to do his best work; instead they would furnish motives for work—opportunity, prospects and necessity—to millions who now lack them. They would conserve the inherent rights of all children to health, home, education and opportunity. They would impose neither unjust burdens

nor unwise restrictions on anybody. Together they would greatly increase the sum total of human happiness, give democracy the appearance of a sincere attempt to achieve social justice, and very greatly allay the social unrest.

In this connection the reader will be interested in a quotation from a magazine article by Thomas Nixon Carver, the Harvard economist, one of the strictest and most orthodox opponents of socialism in the academic circles of this country. He wrote: [1]

"Socialism as a movement is quite distinct from socialism as a theory of industrial organization, and it is also to be distinguished from socialism as a program. Socialism as a movement is merely a development of class spirit among propertyless wage workers, and of class antagonism against the owners of capital. This movement does not depend in the least upon justice or injustice, or upon economic soundness or unsoundness. It is wholly a matter of class consciousness and class antagonism. It will succeed, whether its views be just or not, whenever its class consciousness becomes strong enough, and its class antagonism bitter enough, to sweep away the present social order. It will fail, whether its views be sound or unsound, if this class consciousness fails to include the majority of the people, or if their class hatred does not become bitter enough to make them revolutionists.

"More specifically, the day when fifty-one per cent of the voters find themselves in the condition of propertyless wage workers, with no reasonable hope of ever becoming anything else, will be the last day of the present social order, and the next day will be the first day of socialism. Let us not imagine that we can avoid this cataclysm by arguments, however sound, to show that the proposed

[1] *Independent,* July 31, 1913.

new social order is economically unsound or impracticable. It does not need to be either practicable, sound or just. It will come anyway whenever fifty-one per cent of the voters see that they have nothing to gain by preserving the present system. It may be that the change will send us all to perdition; to perdition we shall go whenever the conditions described above are reached."

The foregoing reforms—and others like them—would drain the swamps and marshes of our social area so that socialism could not grow in them. But for capitalism to assume instead an uncompromising and aggressive attitude of opposition to such reforms is sheer suicidal madness. Nor is it any the less suicidal imbecility for the middle classes to drift along in smug, blind, ignorant indifference to what is happening to us all, and how it can be prevented.

CHAPTER XIII

THE MIDDLE CLASS AS THE DOCTOR

SO far in this book three classes of American society have been referred to, namely capital, labor, and the middle class. If any cure for the social unrest is to be effected each of these classes has its own peculiar responsibility to perform. The restless poor must be patient. They think they have been patient long enough; but they have not. Haste makes waste; revolutions are always followed by reaction. Nothing is to be gained by rash violence. There is really good ground for patience. Rome was not built in a single day. At the rate history is made, the progress of social reform in the last generation is by no means discouraging. Reform waits upon the molding of public opinion; haste in advance of public opinion only delays the final consummation. Hence advocates of reform must resort less to radical agitation, and more to sound discussion. They must put their trust in free speech, and not in torch and bomb. Every tendency on their part to resort to violence must be restrained. If they understand their own interests, they will restrain such tendencies voluntarily, and cultivate the age-tried individual virtues upon which civilization always has depended, and always will. The chief enemy of the man at the left is the man at the more extreme left. And if the tendency to violence is

not voluntarily restrained, it must be restrained by compulsion. But in such a way as to interfere neither with the constitutional right of free speech, nor with representative government; for they, all classes must unite in understanding, are the modern substitute for violence.

The radical element in the laboring class are committing a fatal blunder by their doctrine of sabotage and direct action. Sabotage is based on the assumption that labor and capital have nothing whatever in common; and that labor's best card, therefore, is to deliver the least possible for its wage. This philosophy has permeated the vast majority of the workers, until an honest day's work is becoming altogether too exceptional. The avowed aim of this theory and practice is to bring about the collapse of the present system, by obstructing production and promoting friction in every possible way. The result has been to alienate the good will and support of the public, that is, of the great middle class. Ten years ago the cause of labor enjoyed generous public sympathy. That was its greatest asset. That asset labor has largely squandered; and the radical element is to blame. The public is willing to reform the present system; and, if time enough is allowed for the education of public opinion, to do it thoroughly. But the American public will never permit the overthrow of the present system. The chaos of social revolution they desperately fear and abhor. And they will see the laboring class, with all their grievances, in the deepest Hades for a thousand years to come, before they will tolerate for one moment the "Bolshevik" program of destruction. If that program is insisted upon by the "reds," the middle class will line up in the coming

readjustment against the laboring class, and defend the existing order to the last ditch. A policy of sabotage and direct action is the worst possible damage the laboring class can inflict upon their own cause. They can never win in America without the support of the middle class. Middle class social philosophy and ideals, and middle class methods of reform are their only hope. Any propaganda that undermines the middle class philosophy of life and morals in the minds of the workers is extremely dangerous therefore. It is also futile; and will continue to be so until the condition of the masses sinks very much lower indeed than it is in America, or is ever likely to become. This is not Russia! The facts are that in America the material condition of the masses is relatively good; educational facilities are generous, and opportunities are sufficiently open so that poor boys are constantly rising to positions of wealth. A far wiser propaganda for the workers is one that will ally and amalgamate them with the middle class. And such an alliance and amalgamation should be forced upon the lower classes, whether their agitators like it or not, by compulsory attendance laws that will make high school graduation practically universal.

As for the very rich, they must make concessions. Not in the form of charity, to be sure, but in the form of such changes in the rules of the game as will bring about social justice eventually. The concessions which the rich must make cannot be bogus, fictitious nor fractional concessions, like profit sharing, stock distribution to employees, factory welfare work, and the like, valuable half-loaves as these sometimes are. Such devices do not turn the main currents of wealth distribution

nor industrial control out of their customary channels. A genuine redistribution of power and wealth is absolutely indispensable to social peace; and the sooner those in control realize this fact the better it will be for all concerned. The unduly rich must frankly look forward to a modified social status for their descendants, and accept public measures calculated to render their children and grandchildren only moderately rich; and even that only upon condition of hard, efficient, useful work.

Why can they not understand that this is to their own interest in the long run? Can they not see that the Stuarts, the Bourbons, the Hapsburgs, the Romanoffs, and the Hohenzollerns might all have survived to places, not only of affectionate regard, but of reverence for their ancestral trees, had they made the appropriate concessions at the opportune times! During the early stages of the French Revolution the privileged classes stubbornly resisted all change. A little later they were seized with a veritable mania for the voluntary surrender of their hereditary privileges; but it was too late! The course of events had fallen into the hands of the Paris mob. It is not the autocrats of government, but the autocrats of industry and finance, against whom the shafts of the present age are being leveled. Why can they not learn the lessons of history?

To make such concessions now is the best possible provision they can make for the welfare of their descendants. It is far better to bequeath to their children a fair chance in a just world than to bequeath to them the fat chances in an unjust world; for eventually the fat will be in the fire. As Mr. Roosevelt so wisely, indeed so prophetically, remarked, "We must become,

to a real degree, our brother's keeper, especially for the sake of our own children; for in the long run this world will not be a pleasant living place for our children unless it is also a reasonably comfortable living place for our brother's children." [1] This kind of talk is not pleasant, to be sure, for the excessively rich to listen to; but it is for their own good, and their children's, nevertheless. Nor is it intended in the least as a threat: but rather as a solemn warning. The threat is in the unrest of the times, and in the lessons of history.

This would be a fortunate democracy indeed if the concessions referred to could only be made voluntarily. The Christian worth and sincerity of rich men is not to be determined by their conspicuous contributions to good causes, nor by their participation in great ecclesiastical drives; but by the attitude they take toward scientific movements for social justice, especially when their own pecuniary interests are involved. Not bloody hands but a bloody brow is the acceptable credentials of Christ-like leadership for a better world. One thousand rich men, associated together in a truly patriotic, Christian spirit of self sacrifice, could organize and promote the voluntary readjustment here referred to; and thereby benefit not only society in general and their own immediate heirs in particular, but win the lasting admiration and gratitude of posterity. A very few men can do almost infinite damage. Probably the slave owning aristocracy of the Old South, who pushed this country into the Civil War, were not over five per cent of the population. A very few men in Germany touched the button that started the world conflagration in 1914. Why can not a few men in strategic positions

[1] "The Foes of Our Own Household," p. 141.

do as great an amount of good? One hundred of America's richest men, yes, a dozen, if they were capable of sufficient insight to do it sincerely and intelligently, are in a position to organize and promote the reforms the age needs, and so set us safely across the riffles into the smooth waters of the new era. Is it too much to hope that two thousand years of Christianity have generated the ideals and atmosphere that could produce such a body of voluntary reformers? We have a few rich men who have made themselves conspicuous by their labors in behalf of social justice; enough of them to take the lead. It is not large charity that is referred to here; but measures for social justice. There are without doubt many others who would be glad to consecrate themselves to this great cause. Let rich men of this spirit search each other out, associate themselves together, and formulate a program under the guidance of specialists in social science. Such a program, if it were sound and just, would be irresistible. It would kill radicalism stone dead. Meantime let every rich man hang on the walls of his house Hoffman's picture of The Rich Young Ruler.

The largest responsibility, however, is with the great middle class of American citizens, for it is with them that our hope lies. However much we may wish for voluntary restraint from the extreme left and voluntary concessions from the extreme right, there is, as a matter of fact, little real expectation of either. Sound, safe reform, if it is to come at all, will come chiefly at the dictates of public opinion, growing out of the enlightened justice and common sense of the great body of our people.

Of the momentous issue now impending, the great

middle class are the natural arbitrators, and, whether by peace or strife, the predestined umpires. If the struggle should ever come to blows (God grant that it may not!) they would be the most tragic sufferers. The plutocrats, of course, the gods would eventually destroy. The "proletariat" would redden the streets with their blood—but their stock would survive. The sufferings of these two classes would be as logical as tragic, for it is their issue. But the case would be lamentably different for the middle class; for their quarrel it is not. Nevertheless they would pay the heaviest costs. For a class conflict would, like all such issues, precipitate itself in such vague shape, confused by so many subsidiary and irrelevant details, that millions would be unable to decide which part they ought to espouse. But they would be conscripted by the suction of cataclysmic circumstances. Both sides would be reinforced by the sons of the middle class. The deluge of a class conflict would be a deluge of their blood, drawn brother by brother, in an issue utterly alien to their natural interests. It has always been so in every historic struggle between classes. Can we never learn the lessons of history! Obviously, therefore, it is incumbent upon all middle class citizens, as a matter of self-preservation, to see to it that some peaceful means of settling the class struggle be forced into effective operation at once.

The principle around which a middle class program of arbitration and reform can be built is strikingly simple, it is to get everybody into the middle class! Aristocrats at the right should be constrained to devote their excess wealth to the general good, renounce their imperial ambitions, and pool their interests with those

of the middle class. The laboring class at the left should be accorded legal protection against exploitation, should be assured educational facilities that will provide them with health, character, intelligence and industrial competence, and accorded such changes in the rules of the game as will motivate them to their best endeavor. In short, they should be lifted up to the middle class level. Not a "dead level," to be sure; what we want is a homogeneous community in which there are only such stimulating differences in wealth and status as can be plausibly explained by the differences in ability and achievement. Such reforms as those outlined in the last two chapters are measures by which we of the middle class can put our kindly arms around our fellow countrymen on either side, and draw them into the warm contacts of a closer brotherhood.

But drawing everybody into the middle class together involves something vastly more fundamental than a mere economic readjustment. For economic readjustments can never be permanently effective without moral and intellectual readjustments along with them. The human race has been trying for centuries to evolve a political democracy, but the history of the last century has taught those who have studied its meaning that political democracy can never succeed except on the basis of industrial democracy. And if we ever achieve industrial democracy, that too will disappoint us unless along with it we achieve a cultural democracy as well. Intellect and conscience are the only successful democratizers.

Now, membership in the middle class is essentially a thing of the mind and heart. Middle class characteristics are primarily ideals, and only secondarily a medi-

ocre ownership of wealth. A man may possess great wealth, and yet be essentially middle class by reason of his attitudes; or on the other hand he may be poor and yet belong to the middle class on account of the contents of his intellect and conscience. The true middle class characteristics are spiritual.

The spiritual characteristics of the middle class must be enriched and extended. We must ourselves be devoted to them with a richer faith; they must be extended to the souls of more people. That is the program.

The first characteristic of middle class Americans is faith in our institutions. The middle class citizen believes that our institutions are on the whole the best that social evolution has yet succeeded in producing, and that they are in process of becoming still better. The plutocrat does not want our institutions to grow better, because better means to curtail his privileges in the interest of the masses. The "proletariat" believes that our institutions are hopeless, and he wishes to overthrow them. We need to enrich this middle class faith within ourselves by a more intelligent understanding of why it is so; we need to extend it to those who may have apostatized from it, and to their children.

To be middle class is to believe in honest work of hand and brain, and to have a work that one performs with pride and skill. That ideal needs to be enriched, too, in the minds of those that have it, and extended to those who have it not, whether they be rich or poor. The responsibility for extending and enriching this ideal devolves in part upon the school, in part upon the church, and in part upon the law.

To be middle class is to believe in frugality and the simple life. This ideal needs to be reinforced in the souls of whoever may be in danger of losing it, and carefully inculcated in the extravagant and the improvident. To be middle class is to believe that "knowledge is power" and to be eager to get it. This faith in science and its uses needs also to be enriched in each of us and extended to all of us. This is chiefly the task of the school. To be middle class is to find joy in domestic life, and motive in domestic responsibilities. It is also to be conscientious and to have religious faith. Perhaps we must look chiefly to the church to enrich and extend these virtues.

Such are the spiritual resources of the middle class. They cause the middle class to be what it really is in truth: the salt of the earth; the true élite—unless, indeed, it should lose its faith! These resources are the only kind of wealth that has ever made any nation permanently great. And this is the wealth that must be as evenly distributed as possible, if we are to be fused together into a homogeneous, harmonious democracy.

The chief obstacle to effective middle class democracy is that there are too many of us upon whom it has never dawned that middle class is precisely what we are. Numerous very common folks are ludicrously trying to keep up the appearance of being aristocrats. Having lost sight of the real values of life, and having been hypnotized by the glitter of tinsel, their chief obsession is the silly illusion that middle class they are not. This chapter, in lecture form, elicited the remark from a primping little high school prig, whose mother

earns an honest living by keeping boarders, that she did not relish the implied charge of being middle class, since she regarded herself as an aristocrat.

In this connection let us quote from *The Literary Digest* for May 7, 1921, under the caption: "Why the Middle Class do not Count":

"In the London *Outlook* Mr. E. T. Raymond ascribes the failure, chiefly the political failure, of the middle class, to a lack of unity that is caused by a 'special proneness to illusion which the uncharitable call snobbishness,' and he observes:

" 'May I suggest that anybody can sneer, with impunity, at the middle class, and even win a laugh in so doing from almost any member of the middle class, merely because hardly any man or women conceives of himself as belonging to that class? Are you dull and fairly well-to-do, or rather in receipt of a fair annual income? Then you persuade yourself that you belong to the upper order, on the ground, among other things, that A, who was also a solicitor like yourself, and a much less well-bred man, is now a Peer of the Realm. Are you penniless but relatively bright? Then you claim to be a free Bohemian, to belong to no class, but to be superior to all, your highest superiority being asserted *vis-à-vis* the middle class.'

"The surest way to the heart of the superior middle class man, we are told, is to pretend that he is not middle class. 'This fact is illustrated in the popularity of *Punch*,' which 'aims straight at the heart of the better kind of villa resident in town and country.' But *Punch* succeeds by 'assuming that he hunts every season with the Pytchley, possesses his villa on the Mediterranean, and has the run of every country-house, deer forest, and grouse-moor in Britain.' Indeed—

" 'For *Punch* to admit cognizance of a race that has a

use for the napkin-rings which so puzzled the late Duke of Devonshire would be fatal to its power over the very classes that do use napkin-rings. For the statistics of napkin-rings sold make it quite certain that vast numbers of the middle classes must use the same napkins twice; napkins are not used at all by the masses. Yet it is pretty certain that a sneer at the expense of such highly reasonable economy in laundry would win the loudest laugh from a middle class man or woman. The boxes might not see the joke, or think it stupid; the dress circle would roar its sides out. It is, I think, this singular belief of middle class men (and especially of middle class women) that they are not middle class that has most to do with the failure and decline of a once great institution.'"

The point which this writer illustrates by reference to *Punch* might be illustrated by reference to American advertising. The advertiser succeeds, just as does *Punch,* by assuming that the solicited consumer regards himself as an aristocrat. It would be an illuminating experience for the reader to study the advertisements with this in mind.

This absurd ambition to be an aristocrat is an interesting phenomenon in social psychology. It has been frequently observed by students of the social mind that subordinated classes almost invariably concede the superiority of those who lord it over and exploit them. Their minds are overawed, they render abject obeisance, and they imitate. An exploited class can be kept indefinitely docile and submissive by the simple device of receiving an occasional son into the privileged class, provided only the illusion can be kept alive that every youngster has the chance, if only he will prove himself worthy. This is the way men are managed in the mass;

and nothing more clearly betrays the streak of fool in human nature. We of the middle class "fall for it" in our attempts to be aristocrats, and in our stupid parroting of capitalistic economic theories.

Scarcely a person but would fancy himself complimented if told that he was a born aristocrat. But a compliment is precisely what that is not, when you come to think of it. For an aristocrat is a person who enjoys more than his share of the good things of life, while, and because, others go without their share. An aristocrat is successful selfishness personified. The ambition to be an aristocrat is based, let us concede, upon a laudable instinct, namely, the desire for personality. But it is also based on an entirely mistaken notion of how personality can best be expressed. Personality cannot be expressed by such externals as feathers and paint, nor by the forms of etiquette in vogue, nor by giving orders to others. Only social conventionality or office can be expressed in those ways; and they are not resources of one's personality; they are the appropriated resources of the society in which one lives. One's personality is expressed only by and through his own personal achievements. One who affects aristocratic conventionalities only succeeds in blinding himself to the fact that personality is the very thing he does not possess. As the world grows more democratic it becomes more noticeable that men and women of achievement are the very ones least concerned about posing as aristocrats. "What!" exclaimed a visitor who found Mr. Lincoln blacking his boots, "Blacking your own boots, Mr. President?" "Whose boots should I be blacking, then?" replied the great man. Jesus said that the pagans of his times foolishly regarded those

who lorded it over them as their great men; but he declared that among his followers those who should achieve the most for their associates would eventually come to be regarded as the greatest. And that seems an unescapable inference from the hope we have in this coöperative venture we are launched upon, which we are pleased to call democracy.

For this ambition to be an aristocrat works exactly at cross purposes with democracy. Democracy is a co-operative effort to furnish everybody a sufficient share of life's necessities, a fair participation in life's pleasures, and a satisfying access to culture. In just so far as one is an aristocrat at heart, he opposes, of course, this aim, and refuses to coöperate. He wants to belong to the exclusive set, and the exclusive set must be few in numbers, otherwise it is not exclusive at all. Not only does this state of mind and heart render one useless in the coöperative enterprise of working out a juster world, but it also hastens the shaking-through-the-sieve process for the would-be aristocrat himself, because it precludes the virtues and sacrifices by which alone common people can improve their economic status.

Hence this foolish, wicked ambition is the most insidious spiritual disease of democracy. It retards the growth of a real brotherhood among us as nothing else can. It is a relic of medievalism, when barons and dukes strutted along the roads, and kings tyrannized over peasants. It is a relic of paganism, when self gratification was set up by cynical philosophers as the chief good, and kindliness was openly ridiculed as weakness. Obviously we shall never learn to live in peace and happiness together until we rid our hearts of

it, and conceive personal aspirations that are more Christian, more democratic, and more modern.

But the case is far from hopeless. Historically this is a strictly middle class republic. Middle class men and women have been its pioneers and builders. Snobbery and aristocracy have been openly repudiated at every stage of its development. Our plain middle class ideals are the stuff that American democracy is made of. It is our kind of folks that have been the salt of the earth here in America from the very beginning. Diligence, self-reliance, frugality, simplicity, honesty, self-restraint, reverence: these are the qualities by which the old folks at home, and the grandparents before them, laid the foundations of Americanism, when things were still sound at the core, and there was no social unrest. And there are millions of us yet in whom the good old ideals of the fathers still obtain. Millions of us are still plain, middle class Americans; such we intend to remain, and our children and grandchildren with us. We are too thrifty to be shaken through the sieve. We do not envy the rich: on that score our souls are absolutely at peace. We furnish the substantial common sense which will prevent any social revolution; and we know it.

The duty and responsibility of the middle class in the present crisis requires emphasis. We need to come to self-consciousness as a class. Class consciousness is said to be the virus of American life. It is, if we mean the class consciousness of the "proletariat," including their passionate hatred of capital, and their irresponsible plotting for revenge. But there is one kind of class consciousness that needs to be sedulously cultivated; and that is the class consciousness of the middle

class. Every one of us needs to know who's who in the middle class, and what we stand for; which side our bread is buttered on, and what to do about it. In other words, we need to have class ideals and a class program. That program should be, by economic reforms, by an educational forward movement, and by a moral and spiritual renascence, to strengthen the middle class and draw everybody into it. That program needs to be talked about in private conversations; it should be the topic of intelligent discussion in innumerable groups organized for that express purpose; it ought to be explained in print, preached from the pulpit, and taught in the schools. In fact the time has come for us middle class folks to take possession of all the agencies for molding public opinion, and put on a definitely organized propaganda. Every American should be made definitely aware of this middle class program. And we ourselves of the middle class should feel a burning loyalty to it, and draw brave confidence from the assurance that we constitute an overwhelming majority of the American people.

CHAPTER XIV

SPIRITUAL VERSUS ECONOMIC DETERMINISM

THE socialists pin their faith to a philosophical fallacy quite similar to that which seduced the Germans into their insane ambition for world conquest. In order to make clear the socialistic fallacy it may be worth while, for the sake of comparison, to review the German fallacy.

The Germans lost their heads over the doctrine of the survival of the fittest. The struggle for existence and the survival of the fittest really do look like a universal law of nature. It is a ruthless struggle, a fight for life in which the strong win and the weak are weeded out. On this law the Germans proceeded, having first made themselves, as they believed, the strongest.

Their fallacy was in assuming that the fightest are always the fittest. As one surveys the past, especially the remote past, with its "monsters of the prime that tear each other in their slime," the survival of the fightest does look like universal law. But as one looks forward to "that far off divine event toward which the whole creation moves," it ceases to be law at all. In its place looms the survival of the most coöperative. In social evolution there seems to have been a shift in the gear of nature; fangs and fists are a vanishing advantage, and mutual help is the new order. The Germans

undertook to force the machinery back into the old gear, but it was too late. The peoples of the world united in what they hoped was a war to put coöperation firmly on its feet as an international policy. To be sure the new coöperative order has not fully arrived yet; but it is clearly coming.

The philosophical fallacy of the socialists is similar, indeed it is closely related to this fallacy of the Germans. They call their theory economic determinism. Economic determinism means that industry is cause, and practically everything else in human life and society are effects. The economic determinist, in accounting for negro slavery and the Civil War in America, rules out the influence of ideals, and points instead to such economic causes as the cotton gin and its effects upon the growth of the cotton industry. Political theories, theological creeds and moral ideals he regards as the by-products of the economic institution. In telling the story of the Protestant Reformation the economic determinist [1] dwells chiefly on such economic considerations as the grievances of the German peasants. Theological issues he regards as effects rather than causes. The economic determinist regards our public schools and universities as the agents of our industrial system; and teachers as "pale parasites" of the entrepreneurs. The change in primitive times from the hunting-fishing form of industry to the agriculture-handicraft form, with its consequent effects on all other phases of the social life,[2] is the economic determinist's stock illustration.

As economic determinist your Marxian socialist

[1] Seabohn, "The Protestant Revolt."
[2] Seabohn, "The Protestant Revolt."

turns prophet. He predicts that the change from the handicraft to the machinofacture type of industry is an economic cause predestined to bring about revolutionary changes in all departments of our social life; but he fails to see that spiritual forces can pilot the ship through the rapids. Capitalism, which machinofacture industry has produced, he predicts will cause concentration of wealth and class stratification until the propertyless class finds itself overwhelmingly in the majority, whereupon it will quite naturally precipitate a revolution and set up a dictatorship of the proletariat as the socialistic Utopia. What he fails to see is that by intelligent social engineering the disasters which lurk behind his vain dreams can be prevented, and a real Christian democracy evolved out of the present crisis.

And it must be confessed that so long as one keeps his face turned to the past the theory looks plausible. Especially if one takes only a bird's-eye view of the main outlines of history, or permits the economic determinists themselves to interpret the details. As a matter of fact economic forces have, of course, figured largely in social evolution; and they do underly the contemporary readjustments in society.

But they have not been the only forces by any means; and as time goes on they are destined to be of declining importance relatively. It is true that in the past spiritual forces have been minor forces, frail beginnings, flickering promises, albeit growing gradually. But civilization has now at last accumulated enormous intellectual resources in natural science, social science, education, art, ethical codes, religious faith and social idealism. Out of these we can generate sufficient power,

if we will, to make the wheels go round. These spiritual resources are predestined to be coöperatively utilized to lift the race above the mere competitive struggle for bread. Eventually spiritual determinants will control and utilize economic determinants, as mind controls and utilizes the power of steam. Has not the time arrived to shift the gear? The socialists think not!

Let us introduce a term from the technical vocabulary of social science, for the sake of the idea it carries. The term is telic. The nearest equivalent in ordinary English is purposive. A telic society is a society in which the people of one generation, through their intellectual leaders, blue print the remodeled institutions for the next generation, and then proceed to build them according to the blue print. A telic society is one in which the best brains and heart decide beforehand what the course of social evolution ought to be, and then lead it thither. Societies save enormous human waste and suffering by being telic; but telic they have never been as yet to any great degree, because they have never been spiritually determined.

If our society is to become spiritually determined, we must begin to predetermine it with our spirits. We must do something more than vehemently to command the tide of economic forces to retreat. Instead we must set ourselves intelligently and resolutely to the task of putting spiritual forces into control. We must study social science diligently and induce everybody else to study it, we must regenerate our morals and win through to a new faith, we must quadruple the work of our schools in the next twenty-five years, and we must put art at the disposal of all for purposes of recreation and inspiration. For spiritual forces can

never turn the wheels of modern life so long as they are out of gear.

Can you imagine what the effect would be if a religious awakening could sweep over the country, as fervid as that which prompted the Crusades, but one that would set up social justice and personal righteousness as the Holy Sepulcher to be rescued? Can you imagine what the effect would be if all high schools were modernized to teach vocations, citizenship, and, for girls, the art and science of home keeping, and if 90 per cent of our young people graduated from them? Can you imagine the result of making good music, good movies, good dramas, good books and good sports so easily accessible to all that degrading amusements could not compete with them? Can you conjecture the consequences of measurably solving the problem of moral education? Can you imagine what would happen if we all knew enough about monopolies, taxation, immigration and a dozen other economic problems so that a "kept press" could no longer humbug us at will? Can you imagine combining all these spiritual forces and getting them all set up together as a going concern within a generation? If you can imagine all that you will imagine a new world in which economic determinants would be a declining factor.

And can we do it, middle class brothers? If we can, there never will be any "Bolshevism" in America. Otherwise there may be; in which tragic event our grandsons would hold us morally responsible for not preventing it!

But be warned, that increasing hordes of socialists grin cynically at this appeal to the middle class; for they are perfectly certain that we are too smug and

dense, to respond. And perhaps we are; who knows? But certain it is that, being the heirs of all the ages, we do have spiritual resources at our disposal which, if utilized, would turn the current of history out of its accustomed channel, and put to confusion all socialistic expectations. If only the middle class can be awakened!

When we get to the very core of the social problem in America it boils down to this, that nearly all of us fall in with the socialists in the fundamental fallacy underlying their theory of economic determinism. For, as was pointed out in Chapter II, the heart, not the head, is the ultimate source of social theories. The fundamental heresy of the socialists is one of the heart; it consists in putting one's faith in material wealth rather than in spiritual weal. And is not that a sin of which we are all equally guilty? Do not socialists at the left, and capitalists at the right, and we ourselves in the middle, bow down before the golden calf? If one's heart is set on material goods it only remains for him to have them not, and he is a ready convert to socialism. The Haves are against socialism not so much because their hearts are nearer right than the Have-nots; but because their pockets are fuller. In their heart of hearts the Haves and the Have-nots have both gone astray together. The essential heresy is the worship of mammon, whether that spiritual disorder shows up as rabid socialism, aggressive capitalistic greed, or the smug selfishness and blind conservatism of the middle class. The hearts of all of us are in the wrong gear. We must return together to the insight that, after one has enough of the elemental necessities, life is then enriched not by more of them, but by the mutual enjoyment of the cultural heritage. Every man

to whose soul this great truth does not appeal is himself generating the divisive forces that threaten to disrupt society.

When a traveler comes to a fork in the road, if his destination is on the right fork he will never arrive by keeping to the left. But that is exactly what the whole modern world has done. We have gone wrong on the dollar theory of life. Wealth, the production of wealth, the distribution of wealth—these are the phrases we mouth and reëcho, as if they were the magic word. But we are wrong, dead wrong. Every man seeks happiness through ever more strenuous efforts to get wealth; but the wealth seldom brings the happiness. We seek our national destiny in "prosperity"; and having piled up "prosperity" mountain high, we have the social unrest for our pains. The nations race for "a place in the sun"; and the present world chaos is the result. We did fight, it is true, to make the world safe for political democracy; but would to God there were no grain of truth in the socialists' challenge that it was a war of capitalistic greed. It was even more true that capitalistic greed (along with nationalistic chauvinism) spoiled the Treaty of Versailles and thwarted the League of Nations. We are on the wrong track; and the reform of reforms is to find it out.

As health is a necessary foundation for happiness, so wealth is only a "means" to the real ends of life. A man's life consisteth not alone in the abundance of the material things which he possesseth, and neither does a nation's. The real goods of human life are spiritual. They are represented not by the market, but by the home, the church, the school, and the open spaces of nature. They are not to be found in the possession of

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money alone, but in the arts, the crafts, and the recreations. The true values of life are in friends, fireside, faith, a clear conscience, peace of mind, wholesome leisure, constructive work, justifiable pride in one's sons and daughters, a place in the community life, and rootage in the soil. These represent the welfare which many are ruthlessly and needlessly denied, and which many others blindly squander for that which is of much less worth. These means of happiness must be more evenly accessible to all; and that is dependent, not only upon a better circulation of wealth, but upon a better distribution of the cultural goods of civilization as well. Intelligence and morality are the ultimate determinants of both the production and distribution of wealth. The forms of liberty are not its vital features; true democracy is that of the mind and heart. If we would make democracy safe for the world we must concern ourselves about its spiritual foundations.

Food is absolutely necessary to the maintenance of life. If food is hard to procure almost the entire energy of life may well be devoted to procuring it. But then, if easier times come, the food habit is liable to be overdone. Having had food enough, would more food take the place of clothing and shelter? If one needs fresh air and exercise, a heavy meal would hardly serve as a substitute. Especially would more food fail to satisfy the vague cravings of the spirit. If one has neither love nor faith, let him make up the lack by feasting richly! If one lacks the joy of creative achievement or loyal service, let him stuff himself with hearty food! If one is lonely, or over-worked, or grief-stricken, or ignorant, if one feels some vague sense of lack, or the dull pain of having missed the joy

of life, the remedy is to eat and eat and eat! Substitute wealth for food in the above sentences and you have the keystone fallacy of our social lives. It makes all our institutions fat, and is the fundamental cause of our periodical business depressions.

The "economic man" figured conspicuously in the old economics. His interests were as single as a corporation's; he had no other wants but wages, rent, interest or profits. But he was only a fiction of the imagination, the mere fraction of a human being. Psychology, especially the Freudian psychology, is now compelling the rewriting of economic theory. Economics is now recognizing the real man, with his whole cycle of needs, physical, mental, moral and spiritual, all of which are insistent. If these elemental "wishes" of human nature are normally satisfied, all is well; if they are thwarted, they generate discontentment which, like a pent-up gas, is bound sooner or later to explode with disastrous social results. In this way strikes are explained; they are the emotional discharge caused by an industrial life that thwarts many of the essential needs of human nature.

A posthumous book by Carleton Parker expounds this theory very interestingly. But his remedy is very unmatured: unlimited freedom for adventurous experiment. This is an all too current fallacy. It is the parlor "Bolshevism" of the half baked intellectual. What the human spirit really needs is not so much to experiment as to feed upon the culture that has been produced by the cumulative experiments of a quarter million years. It is to satisfy the varied needs of human nature that civilization has been built up. Man-soul has slowly woven itself a garment: not to let him

experiment with the garment, but to let him wear it, is the cure for the industrial unrest.

Are there the beautiful fabrics of art, science and faith? Permit the laboring man to clothe his spirit with these! Are there social gymnasia where his mind may get industrial, political, social, domestic, artistic, intellectual and religious exercises? Admit him to the games! Are there a thousand projects for his constructive impulses? Then do not expect him to be satisfied as a mere cog in the machine, however liberally waged. A beast lives mostly below the diaphragm; but a man lives mostly from the ears up. Equip all men, therefore, to use, for a complete human life, all the materials of culture, as they have been produced by social evolution, and are available in all the spiritual wealth of civilization. The man of the new super-civilization must be fed upon a balanced ration; not on wealth-stuff alone. Not otherwise will there ever be a new super-civilization at all. The foundations of the new social order are spiritual. It is necessary for us to make the sort of readjustments in our industrial relations that have been suggested in the foregoing portions of this book; but that in itself will fail of the social results we desire unless we also cultivate our spiritual resources as suggested in the remainder of the book.

The preachers have told us, time out of mind, that man shall not live by bread alone; but we have never taken the preachers seriously on this point. Nevertheless they are profoundly right about it; though they often discount their advice by getting it so out of focus as to imply that we can get along without bread altogether. The poor are short of bread, beef, housing,

clothes and coal, it is true. These necessities of life must be made up to them; but there are other necessities also, such as those afforded by homes, churches, schools, libraries, theaters, art galleries, parks, community centers, and other like public agencies; and society should proceed at once to furnish these also in abundance. The rich, aside from the necessities of physical life, are often as bad off as the poor. They spend their surplus in many instances for material luxuries far beyond the point of diminishing returns. The difference between the cost of a Ford and a Pierce-Arrow, for instance, yields less than proportionate returns in the joys of life; and too much of what additional returns it does yield are mere gratification of the unwholesome instincts of rivalry. Why do we not envy instead the neighbor who gets joy out of his Bach, his Beethoven and his Brahms? A ten cent rose bud on the breakfast table is as good as five dollars' worth, unless what one really wants is to show off how much he can afford to spend for cut flowers. Envy is a dangerous thing in a democracy; the social unrest is three-sevenths envy.

Have you pondered over the way your neighbor, Mr. Smith, furnishes his living rooms, as contrasted with the furniture of Mr. Jones? Mr. Smith has bookcases filled with cheap but well-worn copies of the best books both recent and standard. But the bookcases are old. There is also an old, badly scarred piano; but beside it is a home-made case full of old, paper volumes of the great German music masters. On the piano are a flute, a violin, and a cornet, while an old 'cello stands in the corner; every one of which instruments is used by members of the family. The walls

are fairly crowded with inexpensive copies of masterpieces, and with the faces of philosophers, artists, writers and other great men. In the center of the living room is an old-fashioned walnut dining table, with a chenile cover; on this table lie two Bibles, the *Atlantic Monthly,* the *Scientific American,* the *Youth's Companion,* the *Sunday School Journal,* and a baseball mitt. There is an old cabinet full of Indian relics and geological specimens. The carpets are rag rugs, and the davenport evidently came from the manual training department of the high school.

At Mr. Jones's things are different. There is a new grand piano, a shiny piano seat, and a few pieces of the latest popular music. The rugs are all Persian, and the oak floor is polished. There is a mahogany bookcase filled with new, leather backed sets of Thackeray, Dumas, Stoddard, and the "Best Orations," but evidently never read. The picture frames are massive and expensive, but the pictures themselves signify nothing. On the heavy oak table there is a dainty little Persian rug, and the colored supplement of the Sunday paper. Through the dining room door one catches a glimpse of sparkling glass and shining silver. There is one child at Jones's, but at Smith's there are five. And yet it is the Joneses we all envy; and that is the root of the social unrest. For if we all wanted chiefly the things the Smiths enjoy, we should want everybody to share them; whereas the Joneses' tastes are divisive.

Sociologists regard social homogeneity as a fundamental necessity. A community has common interests; if there is no community of interest there is no community. Where people differ sharply in race, creed, language, industries, education, wealth, and ideals there

is social "splitteration," instead of social "stick-together-ation," to borrow a parody on Spencer. The we-feeling depends upon ideas, sentiments and practices in common; and hence it follows that the way to blend us all together into a great all-inclusive, kindred-minded middle class is to make us all participants together in the common treasures of the intellectual, ethical and cultural heritage of the race.

Some of the most important means of happiness, welfare and the joy of life that ought to be made easily accessible to all the people are health, recreation, plenty of good schooling, art, family life, morals and religion. These are the real values of existence; the substances out of which the we-feeling can weave a fabric. For these interests are the only kind of interests upon which there is any hope of our all uniting. Our work demands division of labor and specialization. As for the use of luxuries, there can be no kindred feeling there. Luxuries are chiefly desired as badges of artificial differences; moreover, they do not satisfy, and hence can no more unite us than the half truths of creeds; and besides there are not enough luxuries to go around. But the really good things of the intellectual, esthetic and moral life, when once attained, do satisfy; and instinctively we want everybody else to enjoy them with us, because their value to ourselves is thereby enhanced. Where these interests are there is neither Bohemian, Syrian, Wop or Hun, but we are all one in a common culture.

In the matter of harmony, good will, and unity of purpose a nation is not unlike a family, and the social problem not unlike the boy problem. The Jenkins family is a case in point. George was a typical high-

school "Chollie-boy" of seventeen, and Mr. Jenkins a typical, middle-aged, busy-man, with adipose tissue. Between them there were strained relations. The issues pertained to the family income, and George's use of it; to the household schedule, and George's adjustment to it; to George's own future, and his attitude toward preparation for it; indeed, to George's very life, whether or not it was to be wrecked on the rocks of adolescence, and leave for himself and for his parents in their old age nothing but the débris of what might have been. Thus the issues between George and his father, like the issues between capital and labor, were vital, irreconcilable, matters of life and death. And the points of view were diametrical, the situation ominously and tragically contentious. A break was imminent. "My dear," said Mrs. Jenkins, "you were a successful father so long as George was a little boy; but you are a failure now that he is adolescent." Which cost Mr. Jenkins a night's sleep! But the next time George wanted seventeen cents for a movie his father said, "Sure, I guess I'll go with you." George survived the shock! The following Saturday they saw a league game together. The ball hit the bull. The next week George and his father took a four-days' fishing trip and fried the fish. For odd times in camp Mr. Jenkins took along "Anna Karenina" and George "Tom Sawyer." Each read both. Driving home they discovered that they could sing nicely together, "Seeing Nellie Home," "Ja-da" and "A Thousand Years My Own Columbia." The next Sunday George responded to his mother's invitation to accompany her and his father to church. And so things went on at the Jenkinses'. Nor were the issues evaded: they actually

solved themselves! That was nine years ago, and the firm name is now Jenkins & Son.

It might turn out that way with the classes and the masses, if we all thought less about business, and set our hearts together on the really satisfying ends of life, as did the Jenkinses, father and son. There can be no doubt, in short, that even in our attempt to solve the social problem we devote an altogether disproportionate amount of anxiety to the question of wealth and its distribution. It is true that this is an absolutely essential element in our problem; but it is by no means the only element. The spiritual means of happiness and social peace are quite as necessary as the material; and the masses can neither secure, maintain, nor put to advantage a larger income unless their inner wants are refined. Even fifteen dollars a day would not make men out of some fellows. Our people, rich and poor, are straining every nerve to produce wealth, and are quarreling over its distribution; and in our failure to be satisfied we strain our nerves the harder for more wealth. What we need, in many cases, is not more wealth, but more of the kinds of happiness that wealth can never buy. We are like anemic school children, fed chiefly on candy, pickles, coffee and summer sausage. Malnutrition has perverted their appetites till they crave only more and more of the false foods that are slowly starving them. Except in the case of the very poor the worth of many lives might well be doubled without an increase of income at all. The present social unrest is essentially a spiritual unrest. The cause is our failure to understand our own needs.

Civilization has been tragically slow in realizing that its foundations are really spiritual. But they are! It

is increasingly recognized that the most important thing about a people is their philosophy of life. The economic theory of history is on the wane. We now see that spiritual causes have been coördinate with industrial causes in social evolution. The difference in ideals, quite as much as the difference in climate, soil and agriculture, made colonial Virginia slave and Massachusetts free. There is a newly awakening appreciation on the part of historians of the moral contributions of the ancient Hebrews and the intellectual and esthetic contributions of the ancient Greeks to the foundations of modern civilization. The spiritual and intellectual aspects of social evolution now interest sociologists no less than the political and industrial. The enormous dinosaurs and the huge mammals of bygone geological ages gave way before smaller creatures with more finely organized nervous systems. Not muscle but brain is more and more becoming the determining factor in the evolution not only of life but of society as well. In the long run right makes might and knowledge is always power. The thinker is, as Rodin has so forcibly suggested, the most imposing personality; and the just and coöperative are certain eventually to inherit the earth. As evolution progresses mere physical forces recede into the background, and the forces of the intellect and conscience come to the fore. It will be far more so than ever in the new super-civilization that we trust is about to emerge. Intelligence and morality will have a large place in the new democracy; else there will be no new democracy at all. Whether in Mexico, Russia, the Philippines, or the United States, self-government depends for its success upon the intelligence and morality of the people. The problems now confronting us

are at bottom spiritual problems. We need, it is true, new laws defining the rights of labor, new regulations for the control of capital, reforms in our system of taxation; but these are all on the surface of things. No reform or revolution can be either successful or permanent unless it revolutionizes the thinking, reforms the morals and regenerates the aims of the people themselves. Our deepest need of all is for a new ideal of life.

The ancient Hebrews produced a unique line of spiritual geniuses, the last of whom was the greatest of all. The western world has honored him by deifying him. He uttered some epigrams of remarkable insight. Said he in substance: a man shall not live by wealth and power alone, but by discovering every purpose and obeying every law that proceedeth out of the thought of God; the worth of a man's life consisteth not in the amount of property he owns; it profiteth a man little or nothing to gain the whole world if he lose the spiritual values out of his life. It is safe to assume that these sayings are as true of a whole nation as of a single man. The western world will do well to honor this great spiritual genius by believing him! Not otherwise may we hope to cure the social unrest. We, the so-called Christian peoples of the western world, are in trouble chiefly because at heart we are still pagans and not yet Christians at all.

CHAPTER XV

THE OLD FASHIONED, MIDDLE CLASS IDEALS

IT is sometimes demanded of one to define the middle class. The demand is usually made by class conscious persons whose social philosophy finds little or no place for a middle class. This socialistic attitude of mind toward the middle class has already been referred to; it is diametrically opposed to the plea of this book, viz.: that there is no room in a democratic society for anything but a middle class. It has been pointed out that we in this country are in no little danger of a class conflict. But obviously, if there were no classes there could be no class conflict. Obviously, also, if we could abolish sharp class distinctions, we should abolish the danger. And this is not impossible! The cure for the social unrest is therefore for everybody, "proletariat" at the left, and "plutocrat" at the right, to get into the middle class. But to a person of socialistic prejudices no definition of the middle class would be satisfactory which did not imply its eventual disintegration and absorption into the other classes; and such a definition would be unsatisfactory to the persons whom this book is addressed to.

This book is addressed to persons who regard themselves as one hundred per cent American, and who look back with pride and reverence to parents, grandparents and a whole line of ancestry (it matters little when

they set foot on these shores) who cherished the plain, old fashioned virtues that have always been the backbone of any stable orderly society, and that always will be, if society is to have any backbone at all. These virtues are the essential thing; it is in terms of them that the middle class is to be defined.

In the flux and confusion of these transitional times the fundamental virtues have become the objects of flippant skepticism, doubt and disregard. Few minds are capable of intelligent discrimination, especially in the social field. There are so many things that need changing that the people who want them changed become obsessed with the idea of change, and talk about change in the abstract as if they were in for changing everything under the sun. On the other hand there are so many things which ought not to be changed at all that the people who have reasons of their own for wanting nothing changed get the very things that need no change into bad repute by hiding the things that ought to be changed behind them. What an immense amount of energy we waste in accusing each other of wanting too much or too little chance. It is not a question of quantity; it is a question of which, and what, and why.

What are the things that need reform? The social injustices that the new industrial conditions have created—they have been plainly pointed out in previous chapters. What are the things that it will do only harm to change? The plain, old fashioned moral virtues: reliability, the restraint of animalism, steadiness of endeavor, and ordinary justice. These are the four virtues essential to social orderliness.[1] If, in the con-

[1] See Hayes' "Sociology," pp. 588 ff.

fusion and uncertainty of the times, these are lost, all will be lost. No reforms can compensate.

"Why be good?" bawl some radical socialists; to which they bray out their own blatant infidelity, that morality is only a cleverly devised system by which "wage slaves" are kept subject to the exploitation of the "capitalist class." They are like blinded Samson pulling the temple down on the Philistines and himself together.

Nor is it in radical circles alone that this pernicious skepticism of the time-tried moral standards is current. The epidemic pervades all classes of society. It infects pedagogy like a virus. Family discipline is breaking down because of it. Even the clergy stutter. The whole rising generation is at sea on this subject. It is one of the ominous signs of the times.

An interesting series of articles ran in the *Atlantic Monthly* during the summer of 1920. In the first one a writer who signs himself "Mr. Grundy" complains of the lax morals of the young folks. He rather overcomplains, in fact. In the second article the charge is tacitly seconded, and a return to the traditional religion set forth as the remedy. The third is a retort by one of "those wild young people." This writer accuses the older generation, through their "soft-headed folly," of having "pretty well ruined this world before passing it on to us, . . . knocked to pieces, leaky, red-hot and threatening to blow up." He adds that the young people are, as a result, extremely busy; that "what pleasure they snatch must be . . . feverishly hurried" and that they "haven't time for the noble procrastinations of modesty." "We drink when we can and what we can, we gamble and are extravagant—but we work, and

that's about all that we can be expected to do; for, after all, we have just discovered that we are all very near to the Stone Age." Thus the young man evades the question entirely. We are suffering, it is true, from "the soft-headed folly" of the generation just past; but their soft-headedness consisted in failure to understand the new machinofacture situation. Their modesty, their frugality, their honesty, their Presbyterian conscientiousness, were not soft-headed! And if the young people make their fathers' ignorance of the social problem an excuse for repudiating their fathers' morality, they will pass on to their own children a worse mess instead of a better. As was long since observed: Easy is the redescent into the Stone Age; or words to that effect.

Perhaps the most fundamental of all the moral diseases of the present crisis, and the one most liable to prove fatal, is the apostasy to a soft creed. Not a hard life but a soft creed, says Professor Peabody, is at the heart of the divorce evil. In magazine articles and private discussions on this subject the happiness of the contracting parties is the basis of judgment, not the welfare of society. In pedagogical theory and educational practice, the doctrine of interest is, or was till very recently, the fad of the hour, while the doctrine of effort was in sad desuetude. The idea of teaching pupils to hold their noses to the grindstone till they take an edge, is largely a thing of the past. We are already getting the result: a crop of young people who regard the hard things of life as electives. The doctrine is urged at mothers' meetings that fear ought to play no part in the training of children. It is impossible to convince such a group that fear has played a dominant

rôle in the evolution of civilization; and that by analogy therefore it is unsafe to assume that sound individual character can be evolved without it. In all fields theory caters to self indulgence. The "wish" is the keynote of the Freudian psychology. Control and coercion are regarded as inconsistent in democracies; the rôle they have played in social evolution is almost entirely ignored. We are prone to imagine that a democracy is a society in which everybody does as he pleases! Well, if everybody pleases to do right democracy will succeed; if everybody chooses easy self indulgence democracy will take the primrose path to a welter of universal Bolshevism. To expect the future to bring forth an ideal democracy, while at the same moment we are suffering a relapse of faith in the ideal of personal self restraint, which is the very warp of civilization, is like taking a month's holiday in harvest time or like sleeping in the trenches at the enemy's zero hour. In the present transition there is need for more self denial, not less; much more! The self indulgence of the middle class in America is wasting the nation's birthright. Without the practice of a hard creed we can never cure the social unrest, we can never evolve a new coöperative society.

There is no warning of which the present age is more in need than that expressed by Kipling in the following poem:

THE GODS OF THE COPYBOOK MAXIMS

As I pass through my incarnations in every age and race,
I make my proper prostrations to the Gods of the Market Place;
Peering through reverent fingers, I watch them flourish and fall,
And the Gods of the Copybook Maxims, I notice, outlast them all.

We were living in trees when they met us. They showed us each in turn
That water would certainly wet us as Fire would certainly burn;
But we found them lacking in uplift, vision and breadth of mind,
So we left them to teach Gorillas while we followed the March of Mankind.

We moved as the Spirit listed. They never altered their pace,
Being neither cloud nor wind borne like the Gods of the Market Place,
But they always caught up with our progress, and usually word would come
That a tribe had been wiped off its ice-field or Creation crashed at Rome.

With the Hopes that our World is built on they were utterly out of touch.
They denied that the Moon was Stilton, they denied she was even Dutch.
They denied that Wishes were horses; they denied that a Pig had Wings.
So we worshiped the Gods of the Market who promised these beautiful things.

On the first Feminian Sandstones we were promised the Fuller Life,
(Which started by loving our neighbor and ended by loving his wife)
Till our women had no more children and the men lost reason and faith,
And the Gods of the Copybook Maxims said:—"The Wages of Sin is Death."

In the Carboniferous Epoch we were promised abundance for all,
By robbing selective Peter to pay for collective Paul;
And, though we had plenty of money, there was nothing our money would buy.
And the Gods of the Copybook Maxims said:—"If you don't work you die."

Then the Gods of the Market tumbled, and their smooth-tongued Wizards withdrew,
And the hearts of the meanest were humbled and began to believe it was true
That all is not Gold that Glitters, and Two and Two make Four—
And the Gods of the Copybook Maxims limped up to explain it once more.

As it will be in "The Future," it was at the birth of Man—
There are only four things certain since the Larger Primates began:

That the Dog returns to his Vomit and the Sow returns to her Mire,
And the burnt Fool's bandaged finger goes wabbling back to the fire.

And after this is accomplished, and the brave new world begins
Where all men insist on their merits and no one desists from his sins,
As surely as water will wet us, as surely as Fire will burn,
The Gods of the Copybook Maxims with terms and slaughters return.

Morality itself can be understood only from the standpoint of society and social evolution. The moral code is not a supernatural, arbitrary decree, to which artificial punishments are attached. The moral code prohibits the acts that age-long experience has demonstrated to be destructive. Nor are the acts that destroy the individual's own happiness the only ones that are immoral: the moral law invades "personal liberty," whenever it is necessary, to prevent acts that interfere with the welfare of others. This is all as elementary in moral philosophy as the multiplication tables are in mathematics; and yet it is often overlooked; possibly because the evil consequences of immoral conduct are sometimes just a little remote. The moral code is essentially a method of living together. If all obey it we live together harmoniously; if it is generally disregarded life together grows increasingly difficult and at length impossible. The nations that have weakened, decayed, and finally perished, have done so at least partly because self indulgence usurped the place of their early virtues. Social progress is partly material achievement, but it is partly also the achievement of new and better moral codes. The social reforms we need now are essentially moral; they consist in adding new rights to the established moral code. If, while

establishing these new rights, we let go of the old duties, we shall not get ahead. What does it advantage a man to make a profit of a hundred dollars if in the meantime he squanders his patrimony of a thousand?

"In order to a clearer insight into the social consequences of personal morality, consider the three vices: licentiousness, gambling, and drunkenness. The immediate effects of the first are diseased bodies, broken homes, disgraced parents, outraged offspring, ruined lives, and the mental anguish of shame and despair. As for the second, think of the worthless, wasted lives of young men, and of the fathers whose gray hairs have been brought down in sorrow to the grave. Intemperance has made us so familiar with its harvest of horrors that we are calloused to them and contemplate them with an almost fatalistic hopelessness and indifference. The trail of poverty, suffering, heart break, and death which this vice has left in its train is almost equivalent to perpetual war.

"But these vices have not only their direct and immediate social consequences, they have their indirect effects as well. For in complex society like ours they have assumed commercialized forms. Everywhere they have organized to corrupt the officers of the law in order to secure their own protection. One of the most shameful chapters in the story of our cities' shame is the complicity of law officers with the organized interests of vice. Officers whose sworn duty it is to protect the people from the underworld have often protected the underworld from the people. Not only so, but by an alliance with public-service corporations they and the vice interests together have been able abso-

lutely to control the governments of many of our American cities. Thus vice has often rendered municipal democracy a failure, temporarily, at least, has prostituted popular government to its own uses, and raised the question whether or not democracy can succeed in America. Delos F. Wilcox asserts that vice is the chief enemy of democracy.

"Imagine, now, a society in which these vices and their consequences have been pushed to their logical conclusion; a society, in other words, in which they are universal. A more veritable hell upon earth cannot be imagined. On the other hand, conceive a society from which these vices have been entirely eliminated (and this, by the way, is as conceivable as a society in which an equitable distribution of wealth has been attained), and you have conceived a society that has made tremendous strides toward the realization of the 'new freedom.'

"How evident it is, therefore, that the individual who contributes to the prevalence of these vices in society is a tearer-down, a destroyer, a veritable traitor to the common good! How evident, too, that he whose life is immune from these moral diseases is making a large contribution to the welfare of society! How much social service, how much of the work of the reformer or philanthropist would it require, forsooth, to cancel the damage that naturally and inevitably accrues from a vicious life?" [1]

Why is the family so often referred to as the basic institution? Partly because it is an arrangement for taking physical care of each new generation during its

[1] From the author's "Personal Religion and the Social Awakening," pp. 36-38.

helpless immaturity. But partly also because it is an educational institution. And as an educational institution its function is now chiefly moral; intellectual education having been largely taken over by the school. It instructs and practices children in the conduct necessary to their membership in society. If the family performs this work badly there will be an excess of vice, crime and poverty. All these social diseases, sociologists find rooting down into bad family conditions. Other institutions will break down, and reform measures will fail to work, for lack of dependable people; but if every family produces only honest sons and daughters there will be no graft in the government. The decline of their domestic life is among the causes that are eliminating the middle class. Those plain, old fashioned virtues upon which good homes were built are more important than additional increments of wealth.

"History also gives abundant testimony to the sacredness of this institution, for it shows us that, although other forms of the family have existed at various times and places, no other form has been able to conserve as high a type of civilization as the monogamous form, and in fact the struggle for existence has all but eliminated these other forms. Moreover, history has furnished repeated instances of the fact that when the pure family life has been seriously broken down, civilization has broken down with it. The case of Rome is a no less serious warning in this respect because reference to it has become so trite.

"Turning from history, we find science furnished with abundant evidence that promiscuity causes sterility, not only by reason of the diseases that it gives rise to, but for other reasons perhaps not fully understood.

This fact makes it evident to those who have looked closely into the matter that promiscuity must lead ultimately to the elimination of the race that practices it. As to the diseases just referred to, it is doubtful whether there is any force at work among the American people that menaces more seriously their perpetuity. . . .

"These facts give us a point of view for a clear appreciation of the far reaching social destructiveness of sexual vices and divorce. Together they mean the perpetuation of the diseases they engender, with their consequent poverty and crime. Their prevalence among us would be an incontrovertible sign of decay if permitted to continue and thrive. They would mean the inevitable collapse of our civilization and the extinction of our race. The seriousness of this menace as it exists in America to-day has frequently been pointed out, and it cannot be overestimated." [1]

Saving is another old-fashioned middle class virtue that seems to be going out of date; waste and extravagance appear to be increasing with prosperity. Living beyond their means is undoubtedly one of the causes that are eliminating the middle class.

There are three outstanding reasons for the decline of this old ideal. Chief of the three is the modern disease of extravagance. The display of luxuries has turned our heads. We are infected as with a contagion. It is not altogether that we want the automobiles and oriental rugs and fur coats to use; it is more that we want them as evidences of success and social prestige. Having apostatized from the ideals of both Christianity and democracy (How contrary to

[1] The same, pp. 50-52.

both is the ambition to be an aristocrat!), and having bowed down to the Baal of mammon, we have come to regard the display of luxury as of more worth than the valid symbols of personality and real achievement. The prime difficulty is not that we have lost the habit of saving, but that the dollar has got to the very center of our souls. It is the middle class philosophy of life that we have lost.

This middle class craze for the artificial symbols of success and social prestige is a serious matter. It is partly to blame for the fact that we are being gradually eliminated. The fault is not only with our stars but with ourselves that we are gradually becoming underlings. We are falling through the sieve not only because the mesh is too large, but because our own souls are too small. We could perhaps hold our own even against odds if it were not for our materialistic ideals and false philosophy of life.

Sociology teaches that too high a standard of living is quite as serious a eugenic menace as too low a standard. Too low a standard of living means a high birth rate among those who are willing to sink in the scale; too high a standard of living means a low birth rate among those who are unwilling to sink in the scale. The squalid poor breed fast because their standard of living is too low; the fastidious middle class barely hold their own because their standard of living is too high. The result is that the inferior tend to supplant the superior types of our citizenry. This is why the native white stock, the backbone of the middle class, is tending toward racial extinction. The standard of living is doing it.

But let us think clearly about the standard of living.

Low and high are deceptive terms; let us substitute wholesome and unwholesome. Then it turns out that rich and poor alike have unwholesome standards of living; but not for like reasons. The standards of the poor are unwholesome because they lack the means of sanitation, health, moral soundness and industrial efficiency. These things, which they really need, many of the poor do not know enough to want; hence they propagate without a struggle. They should have these things furnished them until they acquire the want. The standards of the proud and well-to-do are unwholesome because they are false. Their desire for the artificial symbols of commercial success and social standing is so intense that normal reproduction is sacrificed thereto. They, too, do not know enough to want the things they really need. The real fault is with their ideals. They spend their money for that which is not bread, and their labor for that which does not satisfy; and as a result they are sinking into oblivion. They sacrifice life to luxuries, and existence to appearance. The middle class must revert to the plain, old fashioned, middle class ideals of life, and set their hearts less on keeping up appearances but more on keeping up the realities.

The second reason for the decline of saving as an ideal is the real difficulty of securing a surplus under the modern conditions of industrial organization described in Chapters V and VI. There are large proportions of the population whose failure to save is explained by this cause. With us of the middle class, however, especially the more prosperous of us, it is the first, not the second, of these reasons that is responsible.

In the third place, there is a sort of socialistic theory abroad to the effect that the more one spends the more one will earn. The more the "wage slaves" can be induced to get along without, the cheaper they can be hired—so the doctrine is bluntly put. Like so many destructive fallacies there is a grain of truth in this; but there are nine grains of fallacy, too. It is their birthright that socialism is teaching the poor to let slip between their fingers.

In view of the confusion of theory and practice about saving, it might not be amiss in this connection to examine the old fashioned theories on that subject. These theories were both ethical and economic. From the standpoint of morals it was held that the self restraint involved in frugality and economy toughened the fiber of a person's character. It was also held that the accumulation and ownership of property, even in small amounts, gave the owner a sense of responsibility and a self confidence quite essential to normal personality. This theory is sound; and quite as important as ever. However, in order to get the full moral benefits of economy it is necessary that saving be not so difficult as to be practically impossible. So long as the advantages and handicaps exist that were described in Chapters V and VI discouragement and disgust are too apt to sour the spirit.

The old economic theory was to the effect that capital is accumulated by the voluntary self denial and saving of individuals. Under modern conditions this, like so many other traditional theories, recedes into the shadows of half truth. In the first place, as Professor Friday[1] has pointed out, almost exactly two thirds of

[1] *American Economic Review,* March, 1919, Supplement, p. 79.

the total savings for the year 1918 (i. e., excess of production over consumption) was the undivided profits of business and agricultural enterprises. About one third comes from all other sources, including savings out of individual incomes. That is to say, in modern industry new capital is one of the products of business; at least two thirds of it accrues in this way [1] rather than by private self denial.

In the second place, saving is and always has been mostly enforced, rather than voluntary. This is the joker in the old economic theory. The saving has mostly been done by one set of persons, and the accumulating by another. Uncle Tom did the going without; Shelby, St. Clare and Legree did the accumulating —after having wasted whatever their fancies dictated. Under present industrial conditions it is the employees of industry and the consumers of monopoly products that do the going without, while the owners and managers of industry do the accumulating, after they have wasted what their fancies dictate on poodles, palaces and paraphernalia. And yet the fact remains that something less than one third of the new capital does accrue from private savings. And the fact remains that individuals and families prosper if they save and accumulate; but go under if they are wastrels and spendthrifts. Notwithstanding the joker in the old theory, there can be no salvation for a middle class that is no longer frugal and saving. Only economical families would profit permanently by social justice if we had it.

The hope has been held out to the laboring class that their salvation is to come through saving. It is urged

[1] See p. 46, above.

that by investing their savings in corporation securities they could themselves become owners of the corporations that employ them. In which case owner and worker would be united again, as under the old small-shop, hand-tool régime. But under present industrial conditions this hope is ill grounded because of the relatively small amount that employees could possibly save. As has already been stated, two thirds of all new capital is the undivided profits of business enterprise. The total savings of labor must be a rather small part of the remaining third. This means that laborers could never hope to gain anything but a minority representation in industry by investing their savings in the securities of the corporations that employ them. Only a vanishing representation, to be more accurate. That is the whole tendency of modern industry, for the reasons pointed out in Chapters V and VI. This proposal, that labor might turn capitalist by saving, when thought through, only throws the to-him-that-hath-shall-be-given aspect of modern industry into clearer relief.

In practice the case is even worse than that, because when employees do invest in corporate securities it is too often mere water that they buy. Suppose, for example, that the prosperity of a given concern increases the market value of its stocks by, say, $25,000,000. By a well-known device of stock jugglery it is easy to let that appear in the face value of the corporation's stocks instead of in the market value. In other words, the corporation issues $25,000,000 new stock without adding anything to its material equipment. This new stock is then offered to the employees, in exchange for their savings. The ex-

panding value of capital thus sucks up the small savings of labor like a vacuum. It is evident that labor's attempt to enfranchise themselves by this method is like a man's efforts to extricate himself from quicksand: the more he struggles the deeper he is mired. If the workers are to become owners it is necessary, first, that they be allotted a larger share of the profits of industry, and, second, that stock jugglery be stopped so that the small investor can buy securities with well-grounded confidence.

Although the enfranchisement of laborers is not likely to be accomplished through saving alone, nevertheless saving is a sound policy for them, and the industrial future of society is not safe without it. Enfranchisement and extravagance together would mean industrial ruin eventually. In the past wealth has been saved involuntarily, it is true; but saved it has been, and accumulated. Involuntary saving is like autocratic control: better than none. Voluntary is always a later word, whether in the growth of children or of civilization; compulsory comes first. Civilization would never have reached its present level without slavery and absolute monarchy. If now we are to have political freedom we must have self control; if the laboring classes are to have industrial freedom they must practice voluntary saving. Labor demands a voice in the management of industry precisely in order to command a larger share in the product. If, when they get it, they waste it in extravagance there will be no saving at all, either voluntary or involuntary, individual or social. Our great corporations have been great accumulators; if they are emasculated of that power by the voice of irresponsible labor in their man-

agement, the result may be industrial disaster. The luxury and waste of the privileged classes, present and past, is the symbol of their failure, not of their success —their failure to make good use of what society entrusted to their management. If the masses should be given the means to imitate their waste, civilization could hardly stand the strain for a century; unless with the means the masses acquired also the character and self-restraint to save instead of to waste. Nor would the coöperative saving at the sources, of which socialism boasts, avail if the individuals involved had the wastrel attitude of mind. One hundred million spendthrifts and wastrels will not total a saving nation even in a socialistic Utopia. Political democracy gives you a Russia or a Mexico if the individuals are either red or yellow; nor is democracy a magic word in industry, either.

Whatever may be said, therefore, of the industrial maladjustments under which we suffer, the fact remains that the good, old fashioned middle class doctrine of saving is as valid as ever it was. We smile at the petty economies of the old folks years ago, and sometimes pity the meagerness and barrenness of their lives; but it was by that hard economy that they paid off the mortgage. And without that same spirit, collectively encouraged and individually practiced, we shall never be able to pay off the social mortgage. The good, old fashioned ideal of making good on one's own account is valid still. No social régime will ever repeal the ancient law that, without self denial and frugality, individuals, families and nations go to the wall. Poor Richard ought to be as popular to-day as in the days

of old Ben Franklin. Without saving and the spiritual ideals that go with it, there will be no cure for the social unrest.

Plain, common honesty is another of the old fashioned, middle class virtues without which society cannot survive. Exploitation is, we trust, vanishing into the past; coöperation looms ever larger on the horizon of the future. Fraud and cheating belong with war: they can have no place in a coöperative world. Honesty, truth and dependability are the foundations of a nation's business development; for business is a coöperative enterprise, slow as the world has been to find it out. Sabotage, contract breaking, killing time on the job, are war measures. There can be no industrial peace so long as they continue. "His word was as good as his bond" is a tribute every reader is proud to hear paid to his father; even a grandfather worthy of the phrase is not too remote to be a source of pride. Unless the young men of the oncoming generation are worthy of their fathers and grandfathers, their own sons and grandsons will not be proud of them. Dishonesty is cowardice, and quite as treasonable to democracy, for it loses the battles of the social crisis. Sturdy conscientiousness is the only thing that will not let the enemy pass.

A confident word may very properly be said for the old fashioned middle class piety. "The religious life is far more than a mere harmless diversion, a mere plaything with which children can be amused, so as to keep them out of mischief. It is positively socializing in a score of different ways. This may be especially and emphatically said of the Christian religion. For

its uniqueness and grandeur consists precisely in this: that it harnesses the religious activities and emotions to social sentiments, ideals, and enterprises. It stimulates instincts of sympathy and love, not only by its standards but by the emotions that it generates. Thus men are motivated to lives of spontaneous and positive goodness; they are bound together by mutual spiritual interests of the most intimate and tender sort. Thus the world's capital of love is immeasurably augmented, and its liability to hatred immeasurably decreased.

"Again, the religious life, especially the Christian life, renders the heart right as nothing else can possibly do. It places its emphasis upon sincerity and good intentions as the prime requisites. And here, again, it stimulates these virtues with emotions that can not be tabulated. It strengthens, moreover, the will by its very access to those higher and invisible powers which no man can explain. Thus it makes men over, and from what has already been said of the social value of individual morality, its social value must appear.

"Not only so, but—and this is most important of all—religion always and everywhere has been characterized by its power to seize upon ideals, enterprises, and causes, and marshal thereto fervor and enthusiasm that are incalculable. History is full of instances: the pilgrimages of the Buddhists, the conquests of the Mohammedans, the fanatical crusades against the Albigenses, and so on without limit. This fervor and activity, often tremendous, though sometimes fanatical, may be tamed and harnessed to the cause of social welfare. It may be made to motivate the individual moral regeneration of whole populations in behalf of

social ideals, and it may be utilized in behalf of social justice." [1]

Will the reader kindly turn to his "Cotter's Saturday Night"? Here Burns sets forth the joys and ideals of middle class life in Scotland a century and a quarter ago: industry, domestic harmony, frugality, self-denial, virtue, and piety.

"The mother, wi' her needle and her shears
Gars auld claes look maist as weel's the new:
The father mixes a' wi' admonition due.

"Their masters' and their mistresses' command,
The younkers a' are warned to obey:
An' mind their labors wi' an eydent hand.

"The cheerfu' supper done, wi' serious face,
They round the ingle form a circle wide,
The sire turns a'er wi' patriarchial grace
The big ha' Bible, ance his father's pride.

"He wales a portion with judicious care:
And, 'Let us worship God!' he says, with solemn air.

"From scenes like these old Scotia's grandeur springs,
That make her loved at home, revered abroad:
Princes and lords are but the breath of kings,
'An honest man's the noblest work of God.'"

And from scenes that are the modern equivalent of these America's grandeur in the new era will arise, if it is to arise at all. To sneer at the homely virtues of faith, sincerity, conscientiousness, honesty, diligence, frugality, self-denial and modesty is to sneer at the foundations of the earth; no social reforms can ever prosper that are flippant toward them. Civilization, much less a super-civilization, is utterly impossible without them.

[1] The author's "Personal Religion and the Social Awakening," pp. 91, 92.

CHAPTER XVI

THE NEW EDUCATION

EQUITABLE distribution of wealth is absolutely necessary; but that would pretty much take care of itself if only knowledge were distributed liberally enough. Ignorant persons are likely to be poor; but education has a money value. Intelligence is a weapon with which the masses can protect themselves from exploitation; but without it they are helpless. Not the common ownership of material wealth but the universal possession of intelligence and culture is the only safe socialism.

Bad institutions—slavery, autocracy, polygamy—must go; but the manner of their going is of no slight moment. If the private ownership of land and capital should ever be proven pernicious, as the socialists contend it is, we should all be as anxious as they to discard it; but we are all desperately concerned about the method of deciding whether it be pernicious or not. The getting rid of bad institutions, and the substituting of better ones in their places, has usually been a bloody business. Hitherto the partisans of competing institutions have usually locked in mortal combat. The reason was pointed out in Chapter III. Such was the case between autocracy and democracy but yesterday. But that is a tragic, brutish method, frightfully wasteful of human values. Besides, nothing is ever settled

till it is settled right. If the bad institution wins, its victims are sure, sooner or later, to contest the decision again. Peace is never permanent until a basis is reached on which natural rights and social justice are assured.

Why not, therefore, put our institutions through the sieve of reason and justice in the first place? Why not use intelligence as the guide of social life? Why not make reason the instrument of social selection? The answer is all too obvious: there is not sufficient intelligence extant. The ignorance of the masses was the reason why the Utopian hopes of the sixteenth century humanists were so long delayed—the ignorance of the masses! Likewise we, if we are to pass peacefully through the present social crisis, and bequeath to our children's children the normally ripening fruits of democracy, must make provision for vastly increasing the stock of popular intelligence.

The task of social readjustment is, therefore, not so much a task for the agitator, the social reformer, or even the statesman, as it is a task for the educator; because he is the power behind the scenes. In the long run it is he who creates public opinion. That is why he must be free and unbiased.

The history of education teaches us to see the causal relation between a civilization and its system of education. Sparta had a civilization that was exclusively militaristic, and a schooling that was equally so. Athenian civilization was uniquely creative in the field of the fine arts, and the unique feature of her schools was the emphasis they put upon artistic initiative. China worshiped the past, and her education consisted in having her boys memorize the maxims that had come

down from the past. When a civilization changes its education changes too. China has replaced her classics with natural science in her curriculum. The Reformation started a new type of education in Protestant countries. And the great changes of the last century, expounded in Chapter IV, have been accompanied by the greatest changes and expansions in the history of education.

The principle to be noted definitely is the causal function of education. What the schools teach to-day, that society will be to-morrow. If the civilization of to-morrow is like the civilization of yesterday, it is largely because the schools of to-day teach the culture of yesterday to the rising generation. To-morrow will be whatever the schools are to-day. If a civilization aspires therefore to become telic and predetermine its to-morrow, it will do so through its schools. It will anticipate what its to-morrow ought to be, and plan to-day's curriculum accordingly. If a civilization aspires to shape the institutions of its future—remake family life, remodel the state, readjust industrial relations, it will mold its children into such shapes that they will fall together socially into the institutions desired. It follows that the school is the steering gear of the republic. America's teachers are, therefore, quite as much as any other class, the creators of her future destiny. If civilization is to give place to a super-civilization, we must remember that education will first have to give place to a super-education; for education is cause and civilization is result. If the conclusion set forth in Chapter IV is sound, we must at once lay out the foundations of a new education so much more extensive than that of the past that our

sluggish imaginations grasp its proportions with unprophetic difficulty.

To start with, we must conceive a new educational ideal. Whoever ponders over the implications of democracy will realize that its ideals entitle every citizen to an adequate opportunity for complete self-realization. In order to achieve that right all citizens must be guaranteed opportunity to share equally, at least to the full extent of their mental capacities, in the benefits of knowledge and culture. Literature, art, science, recreational devices, the moral code, the Christian ideals, the social institutions, are all the products of the race's coöperative endeavor; they are social capital, joint possessions; and their use and enjoyment ought, therefore, to be equally accessible to all. How utterly undemocratic it is for acquaintance with classic literature to serve as a badge of social exclusiveness! If music, sanitary science, wholesome sports, and all other good things of civilized life are means of happiness, whom should democracy select to deprive of their blessings? Some one has said that the aim of the country life movement is to render life on the farm "permanently satisfying to representative American citizens." That is also the aim of democracy, except that democracy includes miners, garment makers, mill operatives, steel workers, teamsters, and all, as well as farmers. Now ignorance is the cause of most of the handicaps of these classes; or at least most of their handicaps could be removed by the right sort of education. Education is the solution of the country life problem, for instance. Agriculture can be greatly improved by science; rural life can be enriched by art in various practical forms; education can take care of the rural recreational prob-

lem; and only by knowledge can farmers learn to protect themselves from industrial exploitation. Likewise any other industrial group. And democracy is bound by its own ideals to furnish all citizens with opportunity for permanently satisfying lives.

And not only is such a common sharing demanded by the ideals of democracy; it is demanded as well by the fundamental laws of social self preservation. It is necessary to the success of democracy; but most especially so in a changing age like this, when all things are in flux, and permanent values are liable to be lost. Social philosophy has demonstrated that common interests are the fundamental requisites of social organization and order. Diversities of races, languages, religions and social classes are the source of social friction and discord. Social classes and castes can be liquidated and fused only by putting the common culture into the hands of all alike. And the more complex civilization becomes, the larger must be the culture that is common to all. This is the more necessary in a democracy where force is not at hand to preserve order, and the most necessary of all in an age of change that tends to unsettle the familiar programs of coöperation. Moreover, social progress depends quite as much upon distribution as upon production of knowledge. The more profoundly one understands the forces and laws of social organization the more clearly he recognizes the need of a wide and liberal distribution of culture, and the more distinctly he discerns that the surest way to wreck democracy, especially in the shoals of a critical period like this, is to tolerate the present partial and inadequate distribution of learning.

While it is the essential social function of the ele-

mentary school to teach what must be common to all, it is evident that our culture is now so extensive and mature that the elementary school is unequal to the task. The high school must come to the aid of the elementary school. Only eleven per cent, approximately, of our young people graduate from the high school. As a matter of fact, we do not have even an elementary universal education. Some one recently pointed out that we are a sixth-grade nation on the average. Shockingly large numbers of our citizenry have had no adequate opportunity to escape the handicaps even of illiteracy. The draft revealed 700,000 young men of draft age who could not read nor write the English language. We were shocked to learn that, because we realized intuitively that democracy can not succeed on that basis.

At this point it is a little difficult to adapt the rhetoric to the needs of the argument, since the ideal we are pleading for is such a stranger to the average mind—indeed, to the minds of too many educational leaders. Universal secondary education must be adopted as the American slogan. High school graduation is the minimum essential for American citizenship. Of course, this implies a high school curriculum adapted to individual differences and to the social needs of modern life. When we consider how small a proportion of our children go beyond the elementary school—scarcely thirty-five per cent—we realize what an ambitious program this is. But nothing short of this will serve the purpose. The half-loaf, makeshift reforms of sociological near-sightedness, are lamentably out of place in germinal times like these.

This may suggest the magnitude of the educational advance that we must set ourselves seriously to the task of consummating immediately if we are to build a school system commensurate with the new democracy that is struggling to be born; a system that shall be capable of performing the causal function that the present crisis will impose upon it.

It is interesting to inquire somewhat in detail what such a system will be.

In the first place, it must be equipped to conserve the physical health of the nation's children. This will require free medical and dental clinics for both diagnosis and treatment. It will require a reorganization of the entire curriculum from the standpoint of physical education.

Universal industrial training is also an important item in the new educational program. The nation is awakening to that fact. No prosperity for the masses can ever be built on any other basis than individual efficiency. The person who develops efficiency in himself will succeed fairly well in spite of such social injustices as do exist in America. On the other hand a just society will do everything possible to insure the economic efficiency of every citizen. Our educational system, great as has been its progress, does not do that as yet. Our curriculum is too academic, and not sufficiently practical; our compulsory attendance laws are inadequate as to age limit, and inadequately enforced; and we offer too little assistance to the children of the poor. We ought to keep practically all children in school till approximately eighteen; and their schooling ought to include vocational education of a practical sort. For the schools of a democracy can never afford to take

their cue from the social status of the poor; instead, they must throw the door of opportunity wide open to all. The plea in behalf of those who are compelled to leave school early is as dangerous as it is plausible. They must be compelled to not leave school early. Whatever the cause of their leaving early, whether an ill-devised curriculum or their own poverty, or the ignorance of their parents, the cause must be overcome, no matter how serious the difficulties nor how great the cost. For the industries are made for the children, not the children for the industries. There are as yet many unsolved problems in vocational education; but none that are insoluble if educators, taxpayers and public will coöperate. But some things are already clear. Industrial training must not be divorced from liberal education. To equip young adolescents with merchantable skill, instead of general intelligence, is to enslave them. Education, to insure real efficiency, must produce not only skill but adaptability, intelligent comprehension of the whole productive process, and knowledge of economic law. Education can affect distribution, too, by molding wants, so that the rich will not "waste their substance in riotous living" nor the poor "spend their money for that which is not bread and their labor for that which satisfieth not." This implies cultural education of a new democratic type.

In Chapter XV the function of morality in the reconstruction was discussed, and the responsibility of religion will be pointed out in Chapter XIX. But the schools also have an immense responsibility in this matter. To solve the problem of moral education in the schools is therefore absolutely requisite to the task of the age. And to date we are almost as far from

the solution of that problem as we are from securing universal high school graduation.

The situation requires a complete redirection of our secondary schools. In fact, the entire educational institution needs a thorough overhauling from bottom to top. The curriculum needs remaking. Industry, recreation, physical training and hygiene, homemaking, art in various practicable forms, social science, etc., must find an adequate place in the curriculum; while the grip of blind tradition must be broken. Schoolroom methods will have to be as radically modified as school subjects themselves. The kindergarten must be extended until, at least in coöperation with other institutions, it takes into its lap the babies of the poor so tenderly as to prevent the 300,000 unnecessary deaths each year. The compulsory attendance age must be raised. Child labor must be outlawed; and instead there must be developed some sound form of industrial participation as part of the school program. The medical profession must be so far socialized as to provide at least for the free medical care of all children. The children of the poor will have to be fed and clothed in part at least by the school, in order to keep them in school and up to standard in efficiency. Recreation must be as well recognized in school equipment as science now is. Commercialized amusements must be superseded. There must be worked out an efficient coöperation between home, church, school and civic authorities, especially for moral safeguarding and training. This, it will be observed, is an ambitious program. But this is an ambitious age. It aspires to see the present muddle through promptly, and put foot on the shores of a new world.

The new education will mean well equipped, all-modern schools; it will mean highly educated teachers, and it will mean vastly extended facilities. Such an educational program will not come cheap; but it will equip the laboring class with individual efficiency, and make both them and the nation prosperous. To this end the authority of the Federal government should be greatly extended. The Bureau of Education should be elevated to a department, and the commissioner given a portfolio in the President's cabinet. State, and especially Federal, aid must be very greatly extended in order to equalize educational facilities in different localities. Unprecedented resources need to be put at the disposal of the schools. The tax reform described in Chapter XII will make that possible. The schools in turn would then be in a position to generate efficiency, guarantee opportunity and insure self-realization in like undreamed of proportions to all citizens. Nothing less will fulfill the promises of democracy. In the reaction against war-time expenses and high taxes now sweeping over the country there is grave danger that the great forward move in education so much needed may be side-tracked. There could scarcely be a costlier economy at this critical time. Educational expansion is an absolutely necessary item in the campaign against radicalism in America.

In conclusion, and for the sake of emphasis, the vital points of this chapter may be set forth again in two short paragraphs.

First: The higher the civilization the higher the education necessary. Savages have no schools at all. Throughout the historic period, while the handicraft method of industry and the monarchical form of gov-

ernment prevailed, private schools for the few, and illiteracy for the masses, was the system of education that prevailed everywhere; the amount and kind of private schooling depending on the amount and kind of civilization. But now we are entering a new super-civilization, in which the power-machine method of industry, the democratic form of government, and the scientific method of thinking, are to prevail. For that new super-civilization a new system of free, universal, public education is coming into existence. It has been growing for a century; and very rapidly for the past twenty-five or thirty years. But it is not half grown yet. The only educational system that will fit the new super-civilization is one that makes a good, practical, all-round, high school education free and compulsory to all, and higher education freely accessible to all who have brains enough to profit by it. The generation now living must see the growth of the new education completed.

Second: The mind is the most important instrument in human life. It is more potent than muscle, for it substitutes steam and electricity for muscle. It is better than fleetness of foot or wing, for it invents the means of far greater speed than these. It is more important than natural wealth, for without intelligence no good use can be made of wealth. Without intelligence political democracy is a vain hope, for an ignorant people can never make a democracy succeed. If workers are to have control of industry they must acquire the intelligence, experience, knowledge and judgment necessary thereto. Knowledge is power; intelligence is the master key that unlocks all sorts of opportunities. To be educated is therefore the right of

rights. If democracy is to give all men their rights it must give every person all the education he can take. There can be no social justice where part of the people are deprived of education. We deceive ourselves unless we understand that enlightenment is the most important thing to be shared by all. Put the master key into every citizen's hand and the social unrest will disappear. While the masses are clamoring for a just distribution of wealth the friends of real democracy must see to it that they are given a just distribution of intelligence and culture also.

Perhaps it may not be out of place to close this chapter with the challenge of the socialists. Their stock reply to the argument of this chapter is that such an educational advance can not be secured under the present management of society. They usually admit that it would head off socialism. But they confidently assert that socialism never will be headed off by education because the necessary education will be headed off by capitalism. It is for us of the middle class to see that the lie is put to this challenge. One of the vital needs of the present crisis is to make all the people understand the fundamental importance of expanding public education.

H. G. Wells has coined a ringing phrase which condenses the argument of this chapter into an epigram, and which we may well adopt as a slogan. This is the phrase: "The race between education and catastrophe"! That is the present situation in a nut shell.

CHAPTER XVII

THE NEED FOR SOCIAL SCIENCE

DEMOCRACY, as we have said, is confronted by a most bewildering array of social and economic problems. An almost interminable list suggest themselves: land tenure, urban congestion, credit, periodical unemployment, absentee landlordism, financial panics, monopoly, tariff, immigration, tenancy, over-capitalization, labor and capital, Americanization, unearned increment, business depressions, I. W. W.-ism, corporation piracy, the closed shop, socialism, divorce, taxation, political corruption, stock jugglery, strikes, vagrancy, industrial accidents, crime, distribution of labor, pauperism, railroad regulation, wealth concentration, labor unionism, preventable disease, etc., etc., etc. Taken together, they constitute the social problem, and are the occasion of the social unrest. For a little meditation on each of these problems shows that almost every one resolves itself into an argument between the haves and the have-nots. Reduced to a common denominator, they become the problems of distribution versus concentration of wealth. And since the state is the agency through which decisions are reached and enforced, the fundamental struggle is for the control of the state. Boiled down, therefore, the issue is democracy versus plutocracy. Upon the wise and just solution of these issues the success and per-

manency of the republic depends; and the crisis of the times is going to crowd them on to the docket fast. What we might have taken two or three generations to think out at leisure the turbulence of the present crisis may compel us to decide in a few years.

How can these problems be solved and the complications they threaten averted? The question is half answered when it is restated: Who is going to solve our social problems? Then the answer is anticipated: The People! In a government like ours the people must settle the issues of state if they are solved at all. But the people can not be expected to solve problems that they know little or nothing about.

Even our statesmen have been densely ignorant of the forces they were trying to manipulate. Jackson's hobby was banks, and his administration was characterized chiefly by banking legislation. Yet it is difficult to imagine how any person could be more ignorant of the principles of banking than Jackson was. He was actuated instead by economic superstition and local prejudice. Yet the masses blindly followed their blind guide as a popular hero. The railroad regulations with which our legislatures and congress busied themselves between 1870 and 1900 were based on the erroneous supposition that competition is an automatic regulator of rates. In the very midst of this period—in 1884—Hadley pointed out their error; but his technical advice was ignored for twenty years; meantime the people and the railroads were both the victims of their own and their legislators' ignorance. In 1899 Ely expounded the scientific principles governing monopoly; but statesmen, in spite of the fact that he predicted its futility, have insisted on enacting trust-busting laws to this very

day, and all to no avail. Similar illustrations could be enumerated almost without limit. In fact, economic legislation has almost invariably bungled. President Wilson was the first prominent statesman who has fully understood the importance of consulting scientific experts instead of politicians in the legislative solution of economic problems.

But even yet the people are densely ignorant of social science. Such economic principles as have percolated into the lay mind are usually a century out of date, and are therefore utterly inapplicable to the modern machinofacture régime. Popular misconceptions of monopoly, labor, corporation finance, taxation, credit, tariff, immigration, etc., are as ludicrous as the eighteenth century New England custom of applying a powder made of charred toads for the cure of skin diseases. For nearly two generations we tried to settle the tariff question by wager of political battle, as if we were still in the middle ages; and it remains to be seen whether or not we shall resume the farce. Even the social point of view is absent, and the old individualistic philosophy still dominates the popular mind. This is illustrated by the failure of the public to understand the term social justice. The individualistic point of view makes them try to attribute the results of social injustice to individual incompetence. The we-fallacy is all but universal, and prosperity is shibboleth. Persons who lack the social point of view seldom stop to inquire whether it is we or us that are prosperous. And this sociological ignorance is especially characteristic of the middle class, who enjoy the prestige of prosperity, social standing, and education.

The will of the people, an English writer says, must

be "reasonably organized." There is food for thought in that phrase. "Organized": unless the people are agreed as to how to get what they want they can never accomplish it. For lack of such agreement popular movements often fail. Truly, as this writer quotes Hegel, "the people is that part of the state that does not really know what it wants." But vested interests are never disorganized. "Reasonably organized." Unless their program is sound, obviously it can not long be agreed upon because it will fail to get results. It must not only be sound; its promoters must know it to be sound, and why. Otherwise there is a fatal loss of motion. But economic ignorance and superstition can never furnish such a program; only science! The will to understand is the first item on the prescription for the cure of the social unrest. Until the people understand the social problem there can be no solution to it.[1]

So far as managing the great economic machine is concerned, the American people are like babes in the woods. They have learned that nature is complex and intricate; and that, to manipulate it, the complex and intricate sciences, involving a knowledge of nature, must be thoroughly mastered. We have passed the stage where we let ignorant old women tamper with the lives of sick children, or put any common-sense jack-of-all-trades in control of a great electric power plant. But the great economic and social forces that play about us, and upon which our happiness and very existence depend, we are ludicrously ignorant of. Even

[1] Two recent pieces of high-grade fiction have apparently been written for the express purpose of arousing the American public to the importance of informing themselves on economic, social, political and international problems. They are "In a Far Country," by Winston Churchill, and "Blind," by Ernest Poole.

our educated men are ignorant, being educated only in other lines. We are too ignorant even to know that we are ignorant. For example, how utterly helpless we are in the grip of the high cost of living! We are capable of nothing more effective than excitement and anger. Our intelligence regarding it is on the level of our ancestors' when they had the scourge of witchcraft to contend with. We have wasted the rich natural resources of a new land, like a herd of cattle trampling curiously around a new pasture of tall clover; we have "run the government" for sixty years by programs that were our boast, but which, as a matter of fact, were precipitating and aggravating the conditions by which we are at present so hysterically alarmed. What a mess, indeed, the older generation have bequeathed us, with their ignorant, conceited blundering! And now we have this "red" unrest sweeping over us like an epidemic; before which we are as helpless as Englishmen were before the Black Death in the thirteenth century. What they needed then was sanitary science, if there had only been such a thing! What we need now is social science, if only we know that there is such a thing! We can never cure radicalism with incantations and executions. We can only cure it with knowledge. We must understand the law of monopoly price, Ricardo's "iron law of wages," why immigration scarcely increases the population at all, Gresham's law of cheap money, whether or not sun spots cause financial panics, and why the right of "freedom of contract" has become a bulwark of tyrrany. You can't get honey-producing insects that will work all night by crossing lightning bugs and honey bees; it's contrary to nature; and if you want to help

solve the social problem, get a good standard book on economics or sociology and begin studying it diligently and humbly. Perhaps you may be one of those to understand something about natural law in the social world.

The "reds" are studying economics! They know their Carl Marx as your grandmother knew her Bible. The socialists are the best-read group of unlettered people in America to-day, so far as economics is concerned; and they are as ready with their answers to the orthodox economics, as they call it, as the hard-shelled Baptists were to meet arguments against immersion. But as for the opponents of radicalism, they are capable as a rule of nothing but a dazed and outraged silence, or else a pointless, inarticulate vehemence. This is the kind of argument that ends, not in conviction, but in fisticuffs.

An appeal to social science is absolutely necessary. We proudly claim that this is an age of science. The achievements of the nineteenth century were due chiefly to the advancement and application of natural science. Are not the American people now prepared to realize that we have like advantages to gain by the application of social science? Or do they still fail to realize that there is such a thing as social science? To distribute what social science we now possess among the people, where it may be put to use, is one of our urgent needs. For it is not only necessary that we should have leaders who know; it is necessary, in a democracy governed like ours, that the masses of the people also should know; at least that they should know enough to know whom to follow. It is an axiom of social science that in a democracy public opinion makes history, and that

public opinion depends, not upon the leadership of the intellectual aristocracy only, but also upon the general diffusion of knowledge among the masses of the people. It is necessary, therefore, that there be a generous sprinkling among us of those who really know something scientific about our social problems and their solutions, experts to whom we may turn for leadership. But it is equally necessary, and at present a more pressing and urgent need, that there be many citizens in every community who are sufficiently well informed along these lines to mold the sentiment of the community in which they live, so that scientific principles, rather than partisan superstition, may be woven into the fabric of public opinion.

It would be interesting to inquire the causes of our popular ignorance of social science. There are no doubt numerous reasons; but the fault lies chiefly with our educational system. What little civics we have taught in our elementary schools has been formal, at least until very recently. We spend more time teaching the boys and girls how the globe was circumnavigated in 1519 than how the anti-trust law has been circumvented since 1890. And our high schools teach algebra, geometry, ancient history, and Latin, but almost no economics. Education is designed to adjust us to our environment; apparently our educators do not yet discern what our environment is: not savages, but profiteers; not triangles, but corners; not Catiline and Ariovistus, but Haywood and Gary. To date our public schools have been well nigh failures so far as concerns training for the complex duties of citizenship.

The colleges and universities alone cannot solve this problem, for the simple reason that the leaders alone,

whom the colleges are supposed to train, cannot enact reforms without popular support. The people themselves must know. It is a task for distributive scholarship. Therefore we intuitively turn to the high schools. The high schools must frankly take up the task of teaching economics and sociology, lots of them, and in a form adapted to the intellects and emotions of adolescence. Social science ought to be the core of the high school curriculum. Every student with sufficient mentality to understand it should get at least four years of it. And let us say frankly that other subjects ought to give way to make at least that much room for it. What an absurdity, in this blessed year of our Lord, 1921, to be spending the valuable time of our high school adolescents on quadratic equations and the third declension, when they will be called upon in less than ten years to exercise intelligent judgment on the tariff question, immigration, the single tax, and a score of other problems that democracy must solve on pain of death. The public high school is the institution, and the only available institution, that we can look to for the successful performance of this great task. Only by systematic instruction of our youth in social science during the course of their high school career can the knowledge be diffused which is necessary to the solution of the social problems of the times.

And does it not seem as if the high school had been providentially raised up for the performance of this very service? Think how it has grown during the past fifty years to its present proportions! In 1860 there were only forty public high schools. In 1870 there were one hundred and sixty; in 1880, eight hundred; in 1890, twenty-five hundred; in 1900, six thousand,

and, in 1910, twelve thousand with an attendance of a little over one million students. To-day there are more than 15,000 high schools; and there is every indication that the rural school consolidation movement will double that number in a few years more. And as for the high school itself, this function suggests a solution to the greatest difficulty that confronts it. It has not yet found itself! It does not understand its own vocation. It hesitates confusedly between the cultural aim of its education and the industrial aim, blind to the fact that the aim for which the God of democracy has called it into being is to prepare our citizenry for the responsibilities of citizenship in a complicated social environment like ours. The central business of the high school is to teach economics, sociology, civics and history, so as to train a citizenry that is intelligently informed on public questions. All the other aims of high school teaching should be grouped around the civic aim. As soon as high school principals see that clearly the high school will become articulate, and the rapidity with which this change is coming is one of the most encouraging signs of the times.

But that is not enough. The social crisis may not wait for a generation of high-school graduates to be trained. More rapid means of disseminating the truth must be devised. In the present emergency sociologists and economists should devote themselves diligently, for the time being at least, to distributive scholarship. Every student of social science, whether professional or amateur, should do what he can, and do it now. Those who teach should direct their teaching more explicitly toward preparedness for the social readjustment.

Those who can write should offer to the popular press such compositions as they think will be available and useful. Occasions for public addresses should be improved, or even solicited, for spreading the sacred knowledge abroad. Ministers should be urged, in private conversation, in their assemblies, and through their denominational papers, to study social science and preach applied Christianity. Social study classes should be organized in connection with Sunday schools, home missionary societies, women's clubs, and all sorts of social organizations. Community centers ought to be organized and utilized for the discussion of civic questions. Extension agencies, chautauquas, lyceums, etc., should be induced to retail social science in popular form. All sorts of labor, professional and other clubs should study and discuss economic and social problems. It might even be possible to convince some of the women that a mind well stored with social sciences will be worth as much to Uncle Sam in time of peace as a pair of socks was in time of war. Even the Gideons might be induced to put little text-books in economics into hotel bedrooms so that guests might read economics while they wait. Let the preachers deliver series of sermons on The Wastes of Fashion, The Function of the Family, The Spiritual Unrest, The Rights of Childhood, Hospitality to Immigrants, and the like. Let us organize community centers and have debates. Let each of us buy a good book on economics, read it carefully, mark it, and then pass it on to a neighbor. If there was ever occasion for a fad there is occasion now for a popular fad of studying scientific sociology and economics.

But if this sort of service is to be effectively rendered

the enterprise should be organized. Such work can not be done by isolated individuals; it must be given the prestige of some dignified and appropriate auspices, and the efficiency of a comprehensive program. There ought to be an effective national organization back of this propaganda. To organize and carry out such a propaganda is the American social scientists' opportunity to serve their country.

The twentieth century, if it is to be a century of achievement at all, must be a century of achievement in the social field. We have no lack of conveniences, luxuries, goods and resources. If we are not happy it is because we do not know how to live with ourselves and with each other. It is our world of social relations of which we are not masters. We know how to handle that no better than our grandparents knew how to handle contagious diseases; social forces are as unharnessed for us as natural forces were for the ancients. Epidemics of social unrest and famines of social peace sweep over us helpless. All our material achievements will serve only to distract and in the end to destroy us unless we can solve our social problems. Nor is their solution a matter of luck, hocus-pocus, incantations or pious faith. It is a matter of science and the application thereof: social science! The monopoly problem will not be solved by bleeding the patient; nor radicalism by applying a mustard plaster. We must use the specifics. Scientific surgery, therapeutics and sanitation must be applied, each in its place, or there will be no recovery. Without social science, and a wide popular knowledge of it, there can be no cure for the social unrest.

CHAPTER XVIII

ART AND RECREATION

ART is destined to become one of the most fruitful means of happiness and harmony that civilization has at its disposal; but no people has ever yet arrived at a stage of civilization high enough to utilize it to any very great advantage. Cultivation of beauty and appreciation of the beautiful is one of the great undeveloped resources of democracy; but very few persons realize that fact as yet. It is a thankless task to plead for popular art as a cure for radicalism, for only by exceptional sociologists, philosophers and educators has the social function of art been adequately discerned. Nevertheless, a free, self-directing people, with leisure and wealth at their disposal, will never find happiness and harmony till they make very much larger use of art than has ever been dreamed of before. It will come to its own in the new super-civilization of the future.

In the first place we have the wrong idea of what the word art signifies. Mostly it suggests oil paintings, marble statuary, and big public buildings to house them in. It also connotes, in a vague but insistent way, a sort of exclusive, high-browed snobbery. People pretend to like art because it is supposed to be a high-toned taste to affect. But if you go to an ordinary art gallery of a Sunday afternoon what do you see? The

place is thronged with some nineteen or twenty sight-seers, mostly from out of town, while the people are at the movies. Much of the statuary is hideous old stuff from China or the middle ages that really has little but historic or anthropological significance. Many of the old paintings have no charm but the name of the artist and the marvel that he could do as well as he did, considering the technique of the times in which he lived. Take Rembrandt's "Adulteress" for example. The expressions of form, pose and features do not begin to compare in life-likeness to what one can see on the advertising pages of any good magazine. As a whole the picture gives a very tame interpretation of the situation it depicts. The coloring is rich but dull. But it is a Rembrandt, don't you know; and one must say "Oh!" and "Ah!" The plain truth is that photography, printing, and the modern technique of picture-making have carried us as much beyond what the best picture-makers could do in the seventeenth century, as we have improved over that century in most other lines. Without discounting in the least the true art of good painting, nor the first-class contribution the early masters made to its development, the fact remains that many modern paintings even are nothing but indistinguishable jumbles of lights, shapes and exaggerated color that certainly "never were on land nor sea." And then if they have glass over them, about all one can see is himself. And yet we pretend to like all this stuff because it is supposed to be "Aht."

The same sort of remarks may be made about grand opera. You pay $1.65 to stand up for two hours where you can look at the broad expanse of some fat woman's naked back; and you study the parallel columns of your

libretto in a bad light so as to try to get some idea of what it's all about. But then you are conscious of contributing your part, for there has to be an eager mass of the *hoi polloi* standing up around the edges so as to make a background for the "beauty and the chivalry" of the subscribers in the seven-dollar seats. It takes the "rail birds" to set off the snobs. It is true that the music, the properties, and sometimes the acting are beautiful; but the plain truth is that grand opera as now conducted is attractive chiefly because it is an exclusive style show. The style show interferes with the art show. The foreign languages are used because America has not yet developed self-assertion enough to stand on her own feet artistically. The whole thing is ridiculously, disgustingly undemocratic, and tends by its exclusiveness to discourage, rather than to encourage, the artistic development of persons by the name of Smith, Jones or O'Brien, whom nature has given superbly beautiful voices. Aristocratic grand opera ought to be laughed at till it takes out naturalization papers and democratizes itself.

All of which is a round-about way of saying that we ordinarily use the word art with altogether too narrow a significance. Art really includes all forms of expressing the values of life, however homely, and all devices for beautifying our surroundings, however commonplace. Art includes literature, of course, and literature not only includes the great classics, but also wholesome, well-written fiction, and sweet, charming bed-time stories for children. Music, in any but "suggestive" forms, is included in art. Art includes the elegant and pleasing use of one's mother tongue in common conversation, the attractive arrangement of

well selected, even if inexpensive, house furnishings, and the beautifying of door-yard, front and back, with plants and paint. Art, in the sense in which the masses would profit most by it, includes even coaxing the dainty song wrens, and exterminating the English sparrows, with their hideous, everlasting rasp. Art, like everything else, needs to be democratized. And when it is democratized art will take its place with religion as one of the great ennobling influences of life.

The function of great art is to present to the imagination, and to motivate in the souls of the people, the great dominating ideals of the age. For this purpose we have no better means than art. Those great ideals are the unattained goals of aspiration and endeavor. They are as vast and vague as the geography of an unexplored continent. They cannot be described, for they are only longed for, not experienced. Only art can symbolize them to the imagination. Besides, they must be emotionalized. That, also, can be done only by art.

For example, the solidarity of his tribe was symbolized by the Alaskan's totem pole. The dream of world empire—the prototype of universal brotherhood —was symbolized, presented and vitalized by the architecture and mural decorations of the Assyrians, Babylonians and Romans. The infinite, invisible world and its authoritative control over human affairs was symbolized by the great cathedrals of the middle ages. The joys of beauty, grace and action were symbolized by the various forms of Greek art.

And now the world is just conceiving new ideals: the limitless perfectibility of the human personality,

and the limitless perfectibility of human society. What might not our lives be worth to ourselves and others if all the best that is latent within them could be brought to self-realization! What a world this might become if we could only solve our social maladjustments and perfect social justice! Such a life and such a world are the dominant ideals of the age, vaguely discerned though they may be as yet by many minds.

It follows, therefore, that creative art might be a very important factor in the work of social readjustment which the western world is now forced to undertake. Already the social ideals and aspirations of the present age are being set forth in art. A considerable list of fiction, and a few great dramas might be enumerated. Numerous short poems and occasional hymns have appeared; also some paintings, and especially some noble sculpture. It is a pity that this art is not more generally known, so that it might the better perform its function. And we need much more of it. Especially do we need some one who will set the people to singing the hopes of the social awakening. But is not the time ripe for first-class art: great music, great epic, and dramatic poetry? Never were there world movements more worthy to inspire first-class creations. And how powerfully they would motivate the age! Plant the ideals of the age, therefore, in the minds of your young men and your maidens; who knows which of them may see the visions and dream the dreams of consummate genius? There never was a greater call for the work of artists, in all fields of art, than now, when the world is struggling toward great new ideals as yet vaguely discerned by many;

never a deeper need for art participation and art appreciation on the part of the masses than now, when we are agitated by the social crisis.

The function of major art is to inculcate the great ideals of the age. But art also has numerous minor functions in social life, and for the performance of these also it ought to be diligently cultivated by the promoters of the new society. In the first place, art serves as a safeguard against temptation. The vices, such as drunkenness, licentiousness, gambling, together with sheer laziness and shiftlessness, are among the greatest handicaps to civilization. The instincts of youth render them susceptible to these vices; and everywhere these vices have their cleverly baited traps set out to catch the young. There is no better protection to a young person than the ability and opportunity to have a wholesome good time at home, or in some other safe environment, with music, good books, the drama, etc. It helps immensely in the rearing of a family if the children can be taught to enjoy good reading and good music. The good reading should begin with bed-time stories told by mother, grow up through the various stages of juvenile literature, and culminate in the best periodicals and classics. Such tastes, and the habit of gratifying them, provide for innumerable hours of happiness, that might otherwise be filled with temptation.

And good music is only second to good reading. For example, two brothers in their early 'teens play, the one a violin and the other a 'cello. They like to play as a duet: "Where is My Wandering Boy Tonight?" their mother accompanying them on the piano. Well, that mother's boys are safe and happy at home,

and safe because they are happy. Some other mother's boy may be wandering away into the snares of vice, but not hers. Their music is their moral insurance.

Now, what is good for one family is good for all the families of a nation. The difference between a family (or a nation) of young people who have acquired such tastes, and another that have not, is likely to be the difference between hoodlumism and true culture. What one mother does with music, every family, every school, every church, every municipal government, ought to be doing for its young people. And not only with music, but with dramatization and other forms of art. "Bolshevism" has no great affinity for good community music and dramatics. To furnish all these things at public expense would be an experiment in socialism involving no great risk, but full of promise for a new generation of happy, moral young people.

In the second place, art inculcates and enforces the custom-tried ideals and the traditional virtues. Everybody understands how poetry, fiction, song, pictures, statuary, etc., are utilized to teach morality. Teachers of morals always have made use of such materials, and no doubt always will. Very much more use might be made of them for this purpose. The reason that art is a positive moral force is because it furnishes means of expressing the best and most ennobling emotions of human life. Essentially that is what art is: a means of expressing values. Not stating, nor describing, nor explaining, but expressing. Causing the mind addressed actually to feel the value expressed. Art that does not express real value, and stimulate the corresponding feeling in response, is not art at all; it is merely showing off. But whatever we express, in this

vital sense of the word, becomes part of our characters. When art gives to the masses a means of expressing noble feelings, it tends to lift them to the level of the feelings expressed. To sing a noble hymn tends to make one reverent and pious; to recite a noble poem or oration plants its noble sentiments in the soul; to contemplate long and intelligently Rodin's "The Hand of God" makes the observer himself in some degree a factor in the evolution of an ideal society.

Another function of art is to soothe the nerves of the people and make them happy. To this end it should be used to beautify the surroundings of the common people. If the reader has imagination enough to realize the effect it has upon one's nerves to live in a neighborhood decorated chiefly with cinders, tin cans, bare brick walls and smoke, as compared with living in a neighborhood beautified with green lawns, vine-clad walls, dainty gardens and native song birds, he can build up some notion of what the artistic impulse might do for a people among whom it was stimulated and gratified instead of outraged and stifled.

It is extremely difficult to prevent this line of argument from degenerating into anticlimax. The reader's imagination fails him; the thing is so remote! The masses are so destitute of refining art. The home surroundings of millions of workers who live in city slums, in mill cities and mining villages, on compost-littered farms, and in the typical little country town, are almost universally hideous. Rag-time music, screeching phonographs, and bawdy songs are the rule. Beauty is a stranger to their lives, and loveliness is alien. It seems well-nigh impossible even to imagine a world in which the really good things in music, pic-

tures, literature, drama, are accessible to all, and in which domestic art in its several forms brings forth its perfect work. But in such a world Bastiles would be stormed with votes instead of with pikes and cannon!

The machinofacture régime has produced hideousness by wholesale. Nature covers up her confusion, waste and débris, half the year with greenery and the other half with snow. As long as man was closely in touch with nature his craving for the beautiful was generously provided for. But now we have "industrial areas," "slum sections," "railroad districts," "the smoke nuisance," "the noise of traffic," "bill boards," "mining villages," "mill towns," "oil regions" and "cut-over districts." And as a result we have harassed minds and discontentment. Eventually we shall learn how to beautify all these scars on the face of nature. Then once more we shall have beauty instead of ugliness, peace of mind instead of restlessness, social tranquillity instead of social unrest. The new age is very greatly in need of that.

Still another use of art is to furnish wholesome recreation. By this use it may be made to add immensely to the sum total of happiness; and it is of the utmost importance to the peace and welfare of democratic society that all its citizens be happy together. Moreover, it furnishes a source of happiness that increases in proportion to the number who share it. The sharing of happiness strengthens the "we-feeling" and fosters harmony among individuals and between social classes. In this way the popular arts contribute to the social effectiveness of the family and other fundamental social institutions. The above illustration serves. The boys are not only safe, but their heartstrings are being

fastened to their home. A boy's or a man's home ought, for the profoundest sociological reasons, to be the most attractive place in the world for him. Music and good books and the ability to enjoy them, beautiful surroundings in rooms and yard, all help to make it so.

And not only the family, but the local community and the play groups of children and young people. These are what Cooley calls the primary social groups. They are primary in several senses, but among the rest because the health and welfare of society depends upon their functioning normally. If the people of a community, and the natural groups of young people, have a happy, good time together in perfectly wholesome ways society is sound and healthy. The use of art for purposes of recreation creates a common happiness and binds people together in the bonds of good feeling as few other common interests can. In the new democracy all classes will share together in the use of art for purposes of wholesome entertainment. That is one of the ways that our descendants will enjoy social peace, where we now suffer social discord and unrest because we envy each other's ability to display luxuries that satisfy nobody.

It is unfortunate that artists do not take a more social view of their art. As a rule their conception of its aim is individualistic. They are as much in need of a social awakening as the ministers and teachers; and it is scarcely less important to the republic. All artists should be students of sociology, so as to get a vision of the service they might render. But their service in a democracy is not in catering to the few who can pay high prices to come in evening dress and hear a virtuoso; it is rather to the masses. They must be mis-

sionaries to the multitude, and prophets of the new age that is dawning. A musician could do as much good in an ordinary community as a minister, if he had the social point of view and the Christian spirit of service. For like reasons the elements of instrumental music should be taught in all the schools. So should a love for good literature and the habit of patronizing the public library. Domestic art in its various forms, the elements of landscape gardening as applied to the ordinary home, should win a larger place in the public school curriculum. And by all other means besides public education the popular use of art should be promoted. For its social possibilities are almost limitless, provided the latent talent of the people is developed as it might be, and artists themselves have social vision.

The use of good art to furnish entertainment relates it closely to all other sorts of wholesome recreation. The war work of the Y. M. C. A. gave the public a new insight. What recreation did for the morale of the army it can do for the morale of the masses. If the laboring classes are to have more leisure they must have more opportunities for wholesome play. The abolition of the saloon creates a wide-open opportunity for something to take its place as a poor man's club. Sociologists and others are beginning to draft the blueprints of a public system of recreation. In it art as well as sport will function largely. There are numerous types of recreational activities available. The moving picture theater should not be on the basis of a private commercial enterprise, but on the basis of a public educational institution. There should be more parks and playgrounds, more community centers and Y. M. C. A.'s. The Boy Scouts should be extended. Schools

and churches should expand their recreational and social activities. Special care should be taken not to neglect the most needy neighborhoods. This is a most promising field for philanthropy. Community Service Incorporated, the Y. M. C. A., the Red Cross, and other social agencies are pushing into this field, and they deserve every encouragement. There is nothing like good wholesome play to keep people out of mischief and make them happy. Recreation ought to be as well organized an institution in our social life as instruction now is. It ought not to remain a private business enterprise, because there is too much temptation to demoralize it. Money comes out of people's pockets when their more imperious instincts are appealed to; they need their higher instincts solicited instead. There is nearly as much reason for public ownership of the recreation business as of the education business. They are closely related. The problem of discipline disappears from a troubled school when play is properly equipped, organized and supervised. It would work much the same in a troubled republic. The populace better be singing together, improvising dramas or playing ball than to be incubating wild schemes of ill-considered reforms; especially in a time when the current of change is too swift at best, and wise, impartial arbitrators are too little consulted. Let us fight "Bolshevism" with music and baseball!

CHAPTER XIX

THE NEW RELIGION

THE new world that is emerging will have to be a coöperative world, otherwise it will not emerge at all.

The keynote of the old régime was self-interest. Self-interest was frankly set forth in economic and political theory as the driving force in industry and the prime motive of all human action. The greatest good of the greatest number was supposed to be assured if government let each citizen alone to look after his own interests. But *laissez faire* has broken down in practice and been abandoned in theory. It made the weak helpless victims of the strong. The injustices of the old régime were inherent in the very nature of the régime itself, which was organized and licensed selfishness. As Professor Bobbitt says: "dividedness was the malefactor." Under it things went from bad to worse, until they are now recognized as intolerable. The world is thoroughly tired of the every-fellow-for-himself régime; and the reaction has already set in. Cooperation has already made considerable development in both ideals and practice. Indeed, togetherness is about to assert its ascendancy over dividedness. Every institution of society is being put on a more coöperative basis. The transition is in process. The family is being transferred to a democratic basis. Education is

rapidly undergoing a similar change. Political democracy is manifestly an attempt to put government on a coöperative footing. And as coöperative government succeeds on a small scale it tends to widen its scope and include ever larger units. Now the time has come when all the nations must be united in a federation of the world.

It is in the field of property that the coöperative arrangement is being most stubbornly resisted. Indeed, here is the crux of the present crisis. There are those who insist that democracy can succeed in no institution unless it is applied to industry, too; that undemocratic industry will thwart democracy everywhere else. Certain it is that democratic ideals cry out insistently against the monstrous maladjustments brought forth by the self-interest, every-fellow-for-himself organization of society in general, and of industry in particular. Some readjustment is necessary. Even here coöperation is inevitable.

Apparently the evolution of society is like the cooling and freezing of water. It is a law of nature that heat expands and cold contracts. Similarly the ruthless struggle for existence, resulting in the extermination of the weak and the survival of the strong, is a universal law of nature. But just before the freezing point is reached an apparent reversal of the law occurs; in reality the molecules crystallize in a new relation to one another, so that as water changes to ice it expands. Otherwise ice would sink, and the world would become a frozen lump. Likewise, when social evolution reaches a certain stage coöperation supersedes competition, and human units assume an entirely different relation to one another, namely that of coöperation and mutual

help. Otherwise all the achievements of civilization would be turned to mutual destruction, and the race would eventually destroy itself. It was the tragedy of Germany to apotheosize the struggle-for-existence theory at precisely the time when social evolution was preparing to discard it in practice. Physicists say that in freezing crystallization occurs, during which the molecules assume new and different relations to one another. The crystallization of society is taking place. The human molecules are shifting from the competitive, coercive, to the voluntary, coöperative relation to one another. This is the social crisis!

The change we are now passing through has been compared with the change brought about long, long ago by the domestication of plants and animals—the change from the hunting-fishing to the agriculture-handicraft stage of social evolution. Social and ethical philosophers point out that this produced a change in human nature itself. The hunter was spasmodic. Excitement held him to the chase. But not so the farmer; he had to be capable of holding himself steadily to long and tedious tasks. The American Indians' incapacity for making this adaptation illustrates the point. In that early readjustment those whose temperaments precluded their learning to "hold their noses to the grindstone" were eliminated. The civilized earth is the heritage of those who could learn the lesson. And every influence of religion, education, and industry has developed to the utmost all the latent powers of application that the farmer-craftsman breed possessed.

And now, by a like analogy, human nature must rise to a new type—the coöperative. The utterly uncooperative will eliminate themselves by their selfishness.

The middle class in America are doing so even now with a very visible rapidity by selfishly refusing to bear and rear offspring. And as for the coöperativeness latent in human nature, it must be stimulated and cultivated to the utmost. For if we are to have a more cooperative social order we must have a more coöperative human nature. The crucial argument urged against all socialistic schemes is that they won't work! And it is true, they will not work, at least, not without a radical change in human nature. The larger their scope and the greater their reliance upon voluntary coöperation, the greater the risk involved in the experiment. The current of socialistic schemes, setting in upon the cross current of individualistic human nature, portends a social cyclone. To build coöperative institutions out of uncoöperative folks, is to invite the collapse of the institutions. The old order is inevitably breaking down; some new experiment is pressing itself irresistibly upon us. The problem of the age is, therefore, to remake human nature. Except the race be born again it can not see the kingdom of God.

The more one ponders over the industrial reforms and the better democracy now being advocated, the more one becomes appalled by the obvious fact that precisely what we lack to make them successful is a radical regeneration of personal character. Leisure is a curse to any person who misuses it. So are more wages. If laborers use their increased resources to propagate irresponsibly they will soon crowd their own ranks to such a degree that by sheer weight of numbers they will sink the raft of their prosperity. But reproductive responsibility involves character. All mutual-benefit, coöperative enterprises are hard to operate per-

manently. They wreck on the recalcitrancy of a few individuals. The enfranchisement of labor will be a farce and a failure unless labor can develop a high degree of intelligence and moral responsibility. There is no formula by which wishes can be turned into horses! (or should we now say limousines?) Every great civilization has been built on a pain economy; and whenever it has achieved a pleasure economy it has, for lack of self-restraint, promptly begun its ascent to Avernus. Utopias can never be even so much as approximated, not to say maintained, except by regenerated human nature. A new type of man must be evolved if we are to evolve a new type of society. Social justice can never be achieved except by just individuals.

But the hope is not in vain. The sure promise of the ideal world that is to be is in the latent resources of the human spirit. Hitherto the best in human nature has been tragically repressed. If a parent brings up his child on fear and corporal punishment, it will be evident to that parent that his child has no sensitive gentleness nor loving comradeship in his makeup. Which only means that the parent has blinded himself to the potentialities which he himself has stifled in his child. Similarly, social organization has stimulated and habituated chiefly the egoistic impulses, but has thwarted and atrophied the altruistic. Militarism, for example, has seized sympathetic, companionable youths and set them to the business of killing each other. Slums, ignorance, unemployment, and commercialized temptations have pushed promising boys into crime, and thereby put them on the defensive against society. At the most idealistic period of their young lives our sons are drawn into the game of competitive business, where

the golden rule is a handicap. The old philosophies of economics and ethics, with their self-interest theories, have tacitly sanctioned the hardening process.

Even the old theology—not the teaching of Jesus, to be sure, but the theology taught by most of the priests and theologians through the centuries—stimulated the egoistic instincts. Its overt and direct appeal has always been to the instincts of self-preservation. The driving motives in religion as in business have been self-interest. To save one's own soul, to escape the pains of hell and win the bliss of heaven, was the objective. Faith or good works, whichever the given age emphasized, were always means of salvation, never ends in themselves. Thus Christian theology has evolved on egocentric lines, homologous to the egocentric society in which it was destined to function. The teachings of Jesus have almost always been emasculated in the interpretation, and regarded as ideal but impracticable. Dawning upon a world that sat in darkness, the divine ideal was grossly distorted and caricatured by the struggle-for-existence atmosphere through which its rays were refracted. Hence, if one were to be a real disciple of Jesus one too often had to be such in spite not only of the social order but of organized Christianity itself. Hence the contradictions, compromises, inconsistencies, subterfuges and hypocrisies with which historic Christianity has always abounded. Hence it was also that the religion of Christendom has usually repressed nearly as much altruism as it has stimulated, and whatever altruism it has succeeded in producing it has produced as a sort of by-product.

Never but once has a worthy faith in human nature been voiced, and that was by Jesus, who taught that all

men are sons of God. He must have had access to the Creator's blueprint of the soul's innate potentialities. Psychologists talk about several billions of neurones in the human brain, only a fraction of which ever function. Those dormant neurons are pregnant with the unborn social brotherhood. We used to sing about cords that were broken vibrating once more. The soul is an instrument of perfectly good strings that never have vibrated at all. It is like a fine piano upon which only a few simple tunes have ever been played, and they upon its middle register. It wants but the sweep of a master hand to bring forth celestial harmonies of almost infinite variety and scope.

The human organism is exceedingly plastic; the social instincts have been easily crusted over with selfish habits so that human nature often appears as if they did not exist in it at all. But one catches glimpses at times of the group-preserving instincts, and what they are capable of producing. What men will do and suffer "in the interest of science," "for art's sake," "to give the children a start," "to solve the social problem," "for the heathen world," "to make the world safe for democracy," "for the cause of God"—and all with never a thought of reward—might well suggest a whole system of new theology. The fact is that whether in economics, ethics or religion, egocentric theories of human action are wrong. They are half truths that distort and caricature the whole truth. Human nature is not a circle with one center, it is an ellipse with two foci; and the range, scope and power of the group-preserving instincts are far greater than is realized in current theories.

Moreover, the group-preserving instincts go as

directly to their mark as the self-preserving. Unselfish actions do not have to be accounted for in terms of self-interest; they are themselves elemental and instinctive. There is no self-calculation when a mother serves or protects her child; there is only child-calculation on her part. The hero, acting in behalf of others, the martyr dying for his cause, the soldier perishing at his post, has not first reasoned it out that by so doing he will conserve his own welfare. They act because a situation is presented that sets off the sensory-motor mechanism; and the discharge is just as spontaneous and direct when sympathy or some other social instinct sets us off as when hunger does. Upon this psychology the new religion must be based.

Accordingly, what the world needs to-day, if it is to develop a human nature of the new, coöperative type, is a new religion that frankly abandons the primary appeal to self-preservation, but appeals instead, directly and overtly, to the other-regarding, group-preserving instincts. The splendid image of that ideal world which is to be, must be held before the convert's gaze until his face is radiant with reflected light. The good of mankind must be made fo shine at the focus of his attention until his own personal good blurs off into the penumbra. Religion must set up, as the main business of life, the enterprise of helping to make this a better world to live in. Looking out for number one here and hereafter, must be definitely subordinated. The unspeakable tragedy of millions of mankind stumbling along, generation after generation, through a belated darkness that might have been dawn, must wring the heart of the new-type Christian like the pains of damnation. The ceremonies, penances and services of

that new religion must consist in removing the causes of poverty, crime, misery and despair, increasing the opportunities for achievement and self-realization, and making two blades of human happiness grow where but one had grown before. Such a religion will emphasize the responsibilities of democracy more and its privileges less. A religion that sets up the social good as its prime objective will, according to the psychology expounded above, stimulate to action the latent coöperativeness now dormant in human nature, and so produce the co-operative society it sets up as its goal. Such a religion will be a new thing under the sun.

The social power of such a religion should be obvious to those who understand the nature of religion itself. Religion is the latent spirit bursting the restraint of objective limitations imposed upon it, and coming forth to self-completion with an irresistible urge. Civilization at any stage of social evolution satisfies only a fraction of human nature: religion is the gasping of the smothered residue for the breath of life. Religion is what man naturally aspires to be, but is not yet because the social world is crude and young, struggling to achieve itself. The objectives of religious faith are the soul's latent possibilities reflected back to it in the mirror of instinctive aspiration. Therefore the power of religion is analogous to the lifting power of a growing plant. By historians, sociologists and psychologists it is recognized as a well-nigh irresistible force. Like the fire under the boiler of a steam engine, it generates tremendous motive power. It motivates men to what they would otherwise regard as impossible. The most imperious instincts yield to it. Attach religious significance to an enterprise or ideal and men will go

through blood and fire to attain it. Fortunate, therefore, the civilization that holds worthy ideals as objects of religious faith. If the objects of religious hope and aspiration distort and caricature what man is really destined to become, then the energy of striving to attain them is largely wasted. But if they are verisimilitudes of what he really is to be, his strivings will carry him straight to the goal with incalculable force and momentum. For making human nature brotherly, therefore, nothing can be so effective as a perfectly clear assurance that a glorious brotherhood upon the earth is nothing less than the predestined will of God. And the motive force in that ideal is precisely in its direct appeal to the brotherliness latent in human nature. This is the crux of the religious revolution.

And is it not providential, now that a new coöperative religion is coming to be a felt need, that the old egoistic religion should already have faded away of its own accord? As the industrial and scientific revolutions came gradually, so the revolution in religion has long been under way already. The old motives have largely ceased to function. The fires have gone out in the furnaces of hell, the caldrons have crusted over, and the whole plant has cooled off and aired out. We have nothing left of it now but the metaphorical symbol of a hypothetical condition, which cannot be pictured to the imagination, and which frightens nobody. The revival sermons of seventy-five years ago would be listened to by intelligent people nowadays with ill-concealed merriment. It is only self-deception and camouflage to blink the fact that the whole framework of the old theology has fallen apart. The field is cleared, ready for the edifice of a new faith.

Moreover, the timbers are already hewn and the stones already quarried for that new edifice. The atmosphere of the age is charged with social purpose. The social motive actuates innumerable men and women, although many of them do not yet recognize it as religious. There are a hundred fields into which young persons are being attracted for their life work because of the good they think they can do there: nobody has told them it is the Kingdom of God they are seeking an opportunity to serve. A few great leaders of the churches, like Rauschenbusch and Gladden, have pioneered the social mission for a generation, and multitudes of the younger clergy have caught the vision. But the great body of the laity remain incapable of the new point of view; while the intellectual class and the labor group hold themselves aloof from the church because it cannot, or because they think it cannot, utilize their social idealism. And on the part of the clergy, prophecy is discordant, to say the least. Ecclesiastical officialdom is mostly gray-headed, fossiliferous and stone blind. Many ministers are being whirled round and round in the eddies between the two currents, the new and the old, until they are so dizzy they cannot tell forward from backward.

At this point the argument will fall short of its purpose unless the contention stands prominently forth that what society really needs is a revolution of the first magnitude in theology.

Imagine Jesus urging apprenticeship in husbandry or in fishing for the Galilean priests and Levites, so as to put them into more sympathetic contact with the provincial peasantry; or organizing at Jerusalem an every-member canvass for tithes, so as to enlarge the

temple or educate more Sadducees and Pharisees. Instead he had the insight to discern that new wine could not be put into old bottles. Imagine Martin Luther mailing out questionnaires for a religious survey of Germany, or inaugurating Sunday evening forums on German unity or the menace of democracy in the Swiss cantons. Instead he cast the doctrine of Justification by Faith, like a bomb, into the trenches of things-as-they-were. The case is not otherwise again. The great ecclesiastical movements recently staged, though undoubtedly sincere, revealed a tragic lack of prophetic insight; and that is why they have collapsed. Great historic revivals have not come by means of centralized ecclesiastical organization, prearranged propaganda, and semi-coercive financial drives. They have oftener come as protests against them. As for the Jeremiah, the Paul, the Augustine, the Luther, the Calvin, the Knox or the Wesley of the present situation, the church's lack of prophecy still provokes his challenge, and the masses dumbly await his evangel, as yet in vain.

For a long time it has been customary to belittle and disparage creeds. That was because the only creeds in sight had ceased to function. A creed is no longer a creed after it has ceased to be credible. But, as a matter of fact, nothing is more necessary than a living creed, one that sets forth a program of life, and expounds convincingly the reasons for it; not reasons that we have been taught to believe that we believe, but reasons that really do carry absolute, unqualified conviction.

The fact is that the people are lost in the labyrinth of modern life. With regard to all the great funda-

mentals they do not know what to believe. They do not so much as possess settled convictions as to what the fundamentals are. Indeed, to one who penetrates beneath the surface of things, the present social unrest is not so much a social unrest as it is a spiritual bewilderment. Aside from the almighty dollar, and the food, clothes, luxuries and leisure the dollar will procure, there is no consensus of opinion as to what the real values of life are. In the last analysis this is the disease of the age. What must the age believe *in* to be saved? If the Church has creative prophecy within her, let her answer that question; but the dead formulas of yesterday this age will have none of.

The late Borden P. Bowne used sometimes to remark facetiously: "We do not need a philosopher very often, but when we do need one we need him desperately." Now is one of those times; we need a new philosophy of life, call it theology, creed, or what you like, and we need it desperately. It must be expressed in the vocabulary of contemporaneous biology, psychology and social philosophy; otherwise it will not be credible. It must appropriate the dominant aspirations of the age and elevate them to the level of religious faith; otherwise it will not motivate. It must contribute dignity, worth and peace of mind to individual lives, and settle the social disorder; otherwise it will be a failure, for nothing less is its function. But to do that the new religion must make its appeal directly and overtly to the group-preserving, other-regarding instincts. The Kingdom of God upon earth, and the Kingdom of God in the heavens, must frankly change places so far as their relative importance is concerned. The vital tenet of the new creed must be the limitless perfectibility

both of the human spirit and of the social order; and all the arts must contribute to glorify that vision.

To be sure, even revolutions build upon the past. The American constitution was pieced together out of English precedents and experience. Similarly the new social religion was implicit in the old individualistic religion. The theology of Paul, Augustine, Luther, and Calvin all contained a core of gospel truth. There was real kernel in the husk. The difference between the old and the new will be the difference betwen bud and flower. All the old doctrines either contained a solution of altruistic idealism or symbolized the social vision. The means of salvation were always tinctured with the love of fellow man, however dilute at times. Among the by-products of historic ecclesiasticism were always more or less altruism and social idealism in the souls of its devotees. But by-products they were, nevertheless, and too often the amount was negligible. What we need now is to make them the prime products, and reduce personal salvation to the status of by-product. Theology needs a decided shift of its weight from the egoistic to the social instincts.

The writer is by profession an educator. His specialty is the sociological theory of education. What can education do for democracy? The answer seems to be very plain: Democracy can do nothing without universal liberal education! But the conviction becomes more and more clear with the passing years that the public school can never take over the function of the church. Religion is the great motive power for human good, and quite as much as democracy needs a new educational ideal does it also need a great religious reawakening. And one of the depressing signs of the

times is the small proportion of ecclesiastical leaders who really see this need. But far more discouraging is the almost negligible proportion of well-to-do laymen who are willing to tolerate prophetic utterance from the pulpits they support. It is for this reason that one hesitates about suggesting the ministry as a life work for really viable young men—the critical attitude toward ecclesiastical things-as-they-are is an almost insurmountable obstacle to peace of mind and professional success; vital prophecy in every age has too often had to be preached from its father's tombstone outside the church doors. Nevertheless, a sufficient proportion of such young men to really dominate the situation is no doubt the church's crying need. The ranks of the clergy are far from destitute of such souls; they ought to clarify their vision, renew their courage, but, most of all, seek out and enhearten one another; assured, in spite of intolerant disparagement, that they are indeed the salt of the earth.

The function of the church in the present social crisis is to generate the new coöperative type of human nature that is necessary to make the new coöperative social order work. To do this it must formulate and expound a new, socio-centric theology that will stimulate the social instincts, as few historic religions have ever succeeded in doing. It may be worth while to subdivide this function into certain subsidiary tasks that can be more concretely stated. For the sake of rhetorical emphasis we may specify the duty of the church toward each of three classes, the public, the capitalists and the laboring class.

The church must educate the public to adopt the social point of view. Christians must be induced to

inquire habitually: What is for the general good? instead of: What is for my private interest? So far as concerns one's attitude toward the social question the test of a Christian is whether or not he is willing to examine his prejudices critically, to admit the truth when it conflicts with his interests, and to advocate just reforms in face of personal loss. To consecrate one's life unselfishly to the general good always has been the keynote of true Christlikeness; and such institutions as autocracy, slavery, the saloon and—whatever the unjust institution is to-day—can be reformed only by a fight, or else by a body of public opinion that loves truth and justice more than anything else. All of which sounds platitudinous enough, to be sure; but if the church can achieve the result in our generation she will achieve one of the greatest miracles in her history. For the proportion of men is not large who, in the choice and pursuit of their vocation, in their expenditures, and in their attitudes on public questions, seek first the general welfare and its equities. To impart this point of view and motivate it is a miracle of grace indeed.

A second responsibility toward the public is to show the social significance of the traditional virtues. Social reasons must acquire an authority quite as categorical and imperious as the old supernatural sanctions.

One of the symptoms of the present chaotic state of things spiritual is that vast numbers of people are without convictions as to why they should be good. Why keep the Sabbath? Apparently the majority think there is no reason. Why tell the truth? Many intelligent persons contend that the truth is frequently a gratuitous nuisance. Why bear hard burdens when

they can be shifted? Why be steadfast in conjugal relations? Why practice self-denial? Our fathers could answer these questions and many others unequivocally, and quote their authority, chapter and verse. However, that was yesterday! For our children these virtues must be related to the social good, the saving of democracy, and the coming of the Kingdom of God. Christians must be shown how social solidarity ruthlessly loads pain, misery, disaster and even death upon the sinner's innocent associates and successors. People must understand that Christianity begins at home. Any minister may well preach ten sermons (if he knows enough sociology) on the social functions of the family, the virtues necessary to successful family life, and the consequences to society of domestic failure. If he is a real prophet of the new religion he will send his hearers home shuddering under their responsibilities and failures, as church-goers have not shuddered since the days when they were "hair hung and breeze shaken over hell." Self-denial, mysticism, thrift, reverence, obedience, chastity, honesty, self-control, and the other homely old virtues, all derive significance chiefly from their social consequences. Their effect upon others is far more important than their effect on the individual himself. To set those social consequences forth makes these virtues religious once more, since the Kingdom of God is the new religious objective. Moreover it appeals to the group-preserving, altruistic instincts; which appeal is the keynote of the new religion. This task of expounding the social function of the old morals and the old piety is a very important subsidiary function of religion in the social crisis. There is scarcely anything else that the rank and file of ministers could

do that would contribute as much to stabilize the situation just now when it so much needs stabilizing.

The church's responsibility toward the capitalist class is to point out clearly the injustices in the present industrial order, and to demand reform insistently. This will not be pleasant listening for them, because they are the beneficiaries of the vested wrongs that need righting. The ministry that performs this task will have its martyrdoms—few wealthy city churches will tolerate that kind of preaching. But to shirk this responsibility is to crucify the Lord afresh, a sin which historic ecclesiasticism has too often committed. The past is full of instances. The church of the Old South upheld slavery, the German clergy were the servile apologists of pan-Germanism and frightfulness; the French church before the Revolution defended the old régime. In such cases the authorized moral guides could see no injustice in slavery, no horror in brutal, selfish conquest, and no wrong in the cruel oppression of the French peasantry. Thus the ministers of Christianity hindered the cause of Christ because they could not distinguish right from wrong in the social systems of which they were themselves a part. Hence they disgraced the church for all time, and threw such suspicion upon it that millions even now fear and hate it as the bulwark of existing social injustices. If the church is to vindicate herself in the present crisis our religious leaders must sift the present situation with unerring moral judgment. Concrete social sins must be branded. The slavery, autocracy, and feudalism in our industrial régime must be located as definitely as a surgeon locates a tumor, and the influence of the church brought unequivocally to bear upon the side of right

and justice, and against specific wrongs. The church must demand the repentance and regeneration of unjust social institutions quite as insistently as she has demanded the conversion of ungodly individuals. The whole weight of the church must be brought to bear in favor of the reforms the age justly demands.

Contemporaneous religion has produced a few prophets who do distinguish social justice from social injustice as clearly as Amos did, and who dare to speak their minds as fearlessly as Jeremiah. Men of this type should absolutely dominate the situation, the whole people must be educated and inspired to see through their eyes, and the Hohenzollerns of industrial autocracy shamed into repentance. The vested social wrongs described in chapters five, six and seven could hardly last a single generation if the voice of the clergy were clear, united and insistent against them.

As for the masses, the church must do for them what the Wesleyan revival did for the masses in England; namely, regenerate their lives. For unless their ideals are spiritualized and their habits purged, neither industrial democracy nor a redistribution of wealth will do them any lasting good. But if the church would save the masses she must first demonstrate that she is not a hired priestess of the vested wrongs from which they suffer. The exploited masses will listen only to a church that they are convinced is the aggressive and efficient advocate of social justice. This is an important truth that few ecclesiastical leaders have discerned.

From the foregoing it must be obvious that the social function of religion is often too narrowly conceived. True, it is the local church's function to provide amusement for the young people, and foster a

wholesome sociability for the community; but this is not what the church exists for primarily. Neither does the church exist primarily to rehabilitate decadent rural communities, nor to maintain employment bureaus and day nurseries in the cities; though it is sometimes desirable for her to render these services. It is not even her prime function to arbitrate between capital and labor, though she can by no means escape responsibility in this important issue. These matters are all subsidiary. The social function of the church is to formulate and motivate the ideals upon which the vitality of all institutions depends, and without which the lives of the people are futile. The age that lacks vitalizing ideals is decadent, depressed with *ennui,* "Weltschmerz" and a growing sense of despair. Democracy is certain to fail in such an atmosphere. But no crisis is appalling to a society that is transfigured by a glorious vision.

As seldom before in history the world is ripe for a great religious awakening. The aspirations and yearnings of democracy, including and combining all that has ever been wished for in all the past, have gradually been taking possession of the great heart of the race, raising the hopes of mankind to heights never ventured before. Institutions are emerging from their ancient cocoons, and stretching out the folds of their new wings as if they would presently fly. The people have suffered deeply for their sins and the sins of their social system. The world waits but for the voice of a prophet to sound the keynote forth: "It is the will of God!" and lo, the mountains and hills will break forth together into singing. With but the infusion of a great religious faith in the Kingdom of God, the passion to serve it will burst forth in every soul like a sudden

flame, and the new democracy will thereby spring into being and permanent success. Such is the social function of the church in the present crisis. May God grant her leadership and inspiration commensurate to that great task.

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